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Big Greek Victory Leaves Questions

Will Papandreou Carry Out The Reforms He Promised?

By Sari Gilbert

ATHENS — The sweeping election victory of Andreas Papandreou's Panhellenic Socialist Movement has brought Greece to the brink of potentially dramatic political and economic change.

With final electoral results giving Mr. Papandreou's party 48 percent of the vote and an absolute majority of 174 seats in the 300-member parliament, constitutional processes were set in motion for a

smooth transition of power from the defeated New Democracy Party.

NEWS ANALYSIS

President Constantine Caramanlis was expected to give Mr. Papandreou a mandate to form a government Tuesday, immediately after the resignation of outgoing Premier George Rallis.

Mr. Papandreou's Cabinet will be sworn in on Wednesday, and parliament reconvenes in a month the new premier, a U.S.-trained economist, will face his first vote of confidence.

Mr. Papandreou told Greek television viewers Sunday night that he plans to enact his program "to the letter" in order to "make change tangible."

Domestic Programs

His domestic program includes nationalization of some industrial sectors, institution of a system of worker participation in management and decentralization of the political process that will give local governments some real powers. He also has advocated educational and bureaucratic reform and a program to fight inflation.

Less certain is just how quickly the new Greek premier will move on the delicate international questions — NATO, the Common Market and the continued presence of U.S. military bases here — that played so important a role in his election campaign.

Opinions here are divided as to how his unexpectedly clearcut victory will affect the way in which he rules.

Socialist Movement officials have admitted that foreign policy issues were not a major concern to most Greek voters. But the fact that the Socialist Movement polled 10 percent less of the vote in the election to choose the country's 24 delegates to the Council of Europe seems to indicate that not all its supporters agree with Mr. Papandreou's plans to break or weaken Greece's ties with the West.

In recent months, furthermore, Mr. Papandreou has blurred many of his more radical foreign policy positions. He replaced a promise to pull out of the Common Market with a pledge to hold a national referendum on the subject.

And, apparently because he knows that Mr. Caramanlis, the architect of Greece's European policy, is unlikely to agree to such a vote, he replaced that goal with a promise to renegotiate the terms of Greece's entry into the Common Market or to unilaterally ignore directives he believes to be contrary to Greece's interests.

In regard to NATO, Mr. Papandreou has gradually softened his original policy of removing Greece from the alliance, saying that the only negotiable point is that both NATO and the Warsaw Pact get out of Europe.

Determined to have tactical nuclear weapons removed from Greece, the outspoken Socialist leader recently proposed the establishment of a nuclear-free zone in the Balkans.

Mr. Papandreou can now be expected to bring before parliament the agreement through which Greek reintegration in NATO was negotiated last October after a six-year absence.

He has also promised to delay taking up the question of what to do with the four U.S. military bases until early next year. Although he had a strong anti-base plank in his election platform,



Andreas Papandreou, leader of the Panhellenic Socialist Movement, holds his first meeting with members of the press after hearing that his party won control of Greece's parliament.

many people here believe he will move slowly, using his threat of closing the most important of the U.S. facilities, the Suda Bay base in Crete, as a bargaining chip to get a generally better deal for Greece.

At the same time, Mr. Papandreou is well aware that bilateral relations with Turkey, one of his major concerns, will be more difficult if he isolates himself from his NATO allies, cutting off a major source of military supplies. This awareness, and his desire to keep good relations with the Greek Army, can probably be expected to dissuade him from what he referred to Sunday night as "political adventures."

The sweeping victory Sunday makes the Socialist Movement's success story one of the most impressive in recent Western European politics. Formed in 1974 after the collapse of the seven-year mili-

tary dictatorship, the movement won 12 percent of the vote that year and more than doubled that in the 1977 vote.

Its growing appeal over the last four years clearly reflects the spread of disillusionment with the

range of reaction to the Papandreou victory, Page 2.

New Democracy Party government, unable to deal successfully with a stagnating economy and inefficient bureaucracy.

"Papandreou has proved himself a master tactician," said Leonidas Kirkos, head of the Greek Communist Party, a small, liberal Euro-

communist group which, like all of Greece's other minor parties, failed to renew its representation in parliament. "He convinced the majority of Greek voters" that the Socialist Movement "was the only alternative to continued conserva-

tive rule," said Mr. Kirkos whose party — like the Social Democrats and the right-wing progressives, was at least able to win some seats in the European Parliament.

Other than the New Democracy Party, which won 113 seats with 36 percent of the vote, the Moscow-

oriented Communist Party of Greece was the only other party to win representation, with 13 seats, based on 10.8 percent of the vote. Analysts here said this was a resounding defeat for the Communists, who fell far short of their goal of 17 percent, the minimum needed by parties to gain the benefits of the Greek electoral system.

The hard-line Communists' failure to capture a significant number of seats and the size of Mr. Papandreou's own victory means the Moscow-oriented Communist Party is unlikely to have much influence on the new Greek government.

Jaruzelski Warns Union That Poland's Leaders Cannot Retreat Further

From Agency Dispatches

WARSAW — Gen. Wojciech Jaruzelski, the new head of Poland's Communist Party, declared that the government cannot retreat further in its confrontation with Solidarity.

The independent labor union warned local branches against actions that would provoke conflict with the government.

In Moscow, Soviet President Leonid I. Brezhnev promised "understanding and support" to Gen. Jaruzelski but bluntly told him to stifle the "encroachments by counter-revolution" (Page 2).

Solidarity leader Lech Walesa, in Paris on a visit, Monday welcomed the change of leadership, saying, "The changes in the opinion of Solidarity will not produce unfavorable developments for our movement.... In our opinion, the situation is better than before."

Speaking at a press conference, he said the union had nothing against Mr. Kania. "We are quite calm over the subject of the new government and Solidarity."

Asked for his reaction to the Communist Party's call for a ban on strikes, Mr. Walesa said: "We can search for other forms of protest. We can protest in different ways.... We want to help without causing trouble."

Gen. Jaruzelski, who on Sunday replaced Stanislaw Kania as party leader, met Monday with the ambassadors of the Warsaw Pact nations — Bulgaria, Czechoslovakia, East Germany, Romania, Hungary and the Soviet Union — and pledged support for the Soviet alliance.

The news agency PAP said the general, who is also defense minister and premier, underlined to the envoys "the importance of further strengthening and developing allied relationships and fraternal cooperation" — diplomatic language for allegiance to Moscow.

Military Council

Gen. Jaruzelski also summoned the nation's Military Council, which only meets at times of tension, and the body "mapped out tasks for the Polish armed forces resulting from the party resolution [at the weekend Central Committee session] and in light of the present situation." No details were disclosed.

After being chosen by the Central Committee to succeed Mr. Kania, whose resignation was accept-

ed after 14 months in office, Gen. Jaruzelski said the committee would meet later this week with the Sejm [parliament] to make more policy changes.

He said the government's "possibilities for retreat have been exhausted."

Solidarity leaders, meeting Monday in Gdansk, said they "shared the view" that strikes were "economically adverse phenomena" and vowed to "see to it that unjustified protests... are eliminated."

The Solidarity presidium sent a message to local unions warning against any "decision that might sharpen the situation and be conducive to social conflict." But it

added that no strike ban would work as long as there was no harmony between the governing and the governed.

The union executive issued an appeal for calm to the union's 9.5 million members. It said its national commission would meet on Thursday to decide on further action, after Mr. Walesa returned from France.

The 200-member Central Committee elected Gen. Jaruzelski demanded that Solidarity stop strikes, obey the law and help restore the nation's shattered economy. It also demanded renegotia-

(Continued on Page 2, Col. 3)

Moscow Urges Peking To Renew Border Talks

By Dusko Doder

Washington Post Service

MOSCOW — The Soviet Union has approached China with proposals to revive talks about a new relationship between the two countries or at least to reopen low-key border negotiations that were broken off more than three years ago, according to well-informed sources here.

The proposals were relayed through diplomatic channels about three weeks ago and were described by Soviet sources as an attempt to re-establish dialogue that could create conditions for some improvement in their relations.

[The Chinese Foreign Ministry confirmed Monday that the Soviet Union had proposed resumption of the border negotiations and said it was studying the proposal. The Associated Press reported from Peking.]

"We already have received a note calling for continuing negotiations from the Soviet Union," a ministry statement said. "We always have believed in negotiations to settle the issues concerning the border. Because of reasons concerning the Soviets, the negotiations so far have not yielded any agreements. We are studying the latest proposal."

[Sources in Peking said the message proposes that the next session of the stalled talks be held in Moscow. It also calls for a lower-level negotiating team than before, pro-

posing that experts, not high Foreign Ministry officials, lead the negotiations to the talks.]

The Russians are believed to have advanced their proposal in a move to ease their isolation. The resumption of the dialogue is not expected in Moscow to wipe out the intermittent name-calling and the resentments accumulated over the past two decades. Nor would it diminish Soviet concern at the way China has emerged into a rival Communist giant.

But the Russians are aware that — like the United States playing its "China card" to influence relations with Moscow — they could influence their relations with Washington to the extent that they manage to defrost their relations with Peking.

The border negotiations were conducted off and on in Peking for almost a decade until they were broken off. They dealt, with varying degrees of success, with river navigation, border trade and the drawing of the frontier itself. The last is a difficult problem that led to bloody Sino-Soviet clashes in 1969.

Political Talks

The political talks between the two countries were arranged in 1979 after China dropped its preconditions that Soviet forces withdraw not only from Mongolia but also from parts of Soviet territory that the Chinese regarded as theirs.

After three months of discussions conducted at the level of deputy foreign ministers made little headway, the Chinese refused to continue the talks following the Soviet intervention in Afghanistan at the end of 1979. Since then, there has been no dialogue between the two countries.

Despite propaganda attacks on China, the Russians have sought to resume the dialogue. The Soviet leaders in their message Sept. 30 on China's national holiday publicly reminded Peking that Moscow was prepared to normalize ties with China.

The October issue of International Affairs, an influential Russian journal, also expressed Moscow's willingness to move border negotiations "off the dead center" but said that "these talks cannot be turned into a one-way street." The journal also reiterated readiness to normalize state-to-state relations virtually frozen since the early 1960s.

Although the Chinese claim that they lost some 3.9 million square miles of territory as a result of "unequal treaties" imposed on weak Chinese emperors by the Kremlin in the last century, Peking, in fact, is demanding the return of only about 13,400 square miles along the border.

Libya Threat Inflated, Envoys in Sudan Say

By Pranay B. Gupta

New York Times Service

KHARTOUM, Sudan — Several European diplomats here say they believe that President Gaafar Nimeiri has been deliberately exaggerating the dangers of an invasion by Libyan forces. His purpose, they speculate, has been to win a commitment of accelerated weapons deliveries from the United States and to deflect attention from the economic crisis confronting his nation.

Many prominent Sudanese agree. One, a businessman, expressed doubt that the "Libyans will be foolish enough to risk a full-scale invasion at a time like this, when the Americans are stepping up their aid to us and when the Egyptians have promised to be at our side."

A professor of economics at the university here said that the president's repeated predictions that there would be a "Soviet-backed invasion" unnecessarily charges the atmosphere.

Wide Agreement

But there appears to be wide agreement here that there "is a threat to Sudan from both the economic crisis and reported incidents of Libyan-sponsored subversion."

This nation of 20 million people is considered by Western economists to be bankrupt, and a team from the International Monetary Fund is negotiating with Sudanese officials on an economic program in which Sudan would immediately institute major fiscal changes to obtain an emergency relief loan of \$250 million to pay its short-term bills.

Senior Western diplomats and military attachés based here have reacted with skepticism to Sudanese government assertions that the Libyans are poised to attack Sudan on its western border with Chad, where Libyan troops are based in support of the Chadian president, Goukouni Oueddei.

The government has barred correspondents and Western military attachés from the western areas where Libyan attacks on villages are said to have occurred. As a result, there is no verifiable information here on how many Libyans are based near the border, on the extent of their intrusions into Sudan or on how many Sudanese

troops are being moved to the area.

U.S. and French intelligence sources say there are perhaps two Libyan battalions, or 1,300 soldiers, at the border. The Sudanese put the figure at three to four times that number and say that the Li-

byans are deploying Soviet-made MIG jets to strike and bomb Sudanese border villages.

The Sudanese say they have shot down three Libyan planes. Western military sources, however, dispute this claim and say that the Sudanese lack adequate air-defense systems.

The Western sources also say that the Libyans have been flying mainly single-engine propeller planes piloted by inexperienced youths who have generally strayed areas where Chadian guerrillas loyal to former Premier Hissène Habré operate in the western part of Sudan.

There are conflicting accounts here about the incidents. The Sudanese government says there have been incursions daily. A Sudanese official, however, said privately that there had been only three.

A senior Western diplomat whose country is providing large amounts of military aid to Sudan said that there was some evidence that the Libyans were using Pakistani, East German and Sudanese mercenaries at the Chadian border. But he and other Western diplomats also said that they believed any military campaign by Libya would be costly and logistically difficult.

The Sudanese government, which has an annual military budget of \$50 million, or half Libya's, recently received 36 American-made M16A-3 armored personnel carriers and is expected to get a new air-defense system from the United States soon for use in the western Sudan. A U.S. team has ended talks with the Sudanese on what military aid is needed. Officials in Washington have said, however, that they were not sure that deliveries could be accelerated.

Reagan Ties Tax-Cutting Policies To Principles Won at Yorktown

By Lee Lescaze

Washington Post Service

YORKTOWN, Va. — President Reagan on Monday linked his tax and budget-cutting policies with the principles for which the American Revolution was fought in a celebration of the spirit of freedom held on the battlefield where the British surrendered at Yorktown 200 years ago.

"The men and boys who fought on this field somehow understood that government must be close to the people and responsive to them; that if all men were free to prosper, all would benefit," Mr. Reagan said, speaking from behind a protective wall on the reviewing stand.

"Today, in our country, those concepts are threatened by the government's bloated size and the distortion of its true functions," Mr. Reagan said as he looked out on the field where more than 3,000 consumed troops representing the American, French and British armies of 1781 stood.

Mitterrand Joins Call

President François Mitterrand of France joined Mr. Reagan in calling for an expansion of the spirit of liberty that the two men saw as victorious here, but Mr. Mitterrand differed from the U.S.

leader on the nature and virtue of contemporary revolutions.

While Mr. Reagan singled out the American Revolution as a unique "philosophical revolution," not merely an exchange of one set of rulers for another, Mr. Mitterrand spoke warmly of those struggling against repressive governments today.

"The aspirations of the people of the world today are just as legitimate as those of our ancestors," the Socialist French leader said. "We who govern our nations in this difficult time must understand these aspirations. Let us act so that their message is heard before it is too late," he said.

Re-Enacting Yorktown

In brilliant sunshine, the men reenacting the Yorktown battle, and bands and honor guards from France, Britain, West Germany and the United States marched around the field and passed in review before President Reagan, President Mitterrand, Lord Hailsham, the British Lord Chancellor, Gov. John Dalton of Virginia and many other officials, including the Democrat and Republican seeking to succeed Mr. Dalton.

Lord Hailsham spoke of the ties binding together the three nations — France, Britain and the United States — declaring: "United to-

gether in friendship and alliance with our friends and allies throughout the world, we command a power for good, physical and moral, far beyond the dreams of those whose lives and deaths we celebrate in Yorktown today."

Mr. Mitterrand noted that "in blood and toil and courage, something tremendous started here. It was the first chapter in modern history that our forefathers wrote together."

"Again we are united here to meet with our memories," Mr. Mitterrand went on, "but also to meet with the future, the future that our two peoples have before them with a contrasting picture of hope and anxiety, hope that can find strength as it did two centuries ago in the same love of freedom, but anxiety which springs too often in our world from the attacks on the rights and dignity of man."

Before the re-enactment of Cornwallis' surrender, the only losers on Monday were the camp followers. The authorities barred the roughly 1,000 women and children who have camped with the Revolutionary-era units on the fields from being present for the speech-making and parading. Some of the camp followers held a protest before television cameras and reporters.



President Reagan standing beside French President Mitterrand in a strong headwind aboard the French frigate DeGrasse.

'Deported' Squatters Find Home Again in Cape Town

By Caryle Murphy

Washington Post Service

CAPE TOWN — Yakashwio Gocina is back in town. And so is his wife. And so are his five children. And so are at least 300 hundred other blacks who were arrested, jailed and "deported" from Cape Town to the independent homeland of Transkei by South African authorities in August.

With their return, the saga of Cape Town's Nyanga squatters has taken its predicted cyclical course and demonstrated the limited deterrent value of the harsh treatment meted out to the squatters in an attempt to stem them from streaming out of their poverty-ridden rural areas into the white-controlled cities.

For more than a month authorities and squatters engaged in a unique sort of struggle in Nyanga. Police tore down the squatters' plastic and corrugated-iron lean-tos as fast as they were put up, leaving in the process about 2,000 men, women and children unprotected against the chilly winter rains.

Today the barren plot where the protracted drama took place looks like an empty stage after the audience has gone. The grass, now brightened by yellow and purple heather, is longer and the spring winds warmer. Rusty oil drums are scattered next to the scars of a fire. The skeleton frame of a child-sized house stands unfinished and sheets of corrugated iron are piled beneath a row of blue gum trees.

All around the site, known in Cape Town vernacular as "no-name camp," is a new barbed-wire fence, a catchall for bits of litter and a barrier to would-be squatters. Its gate is padlocked.

But the play has not closed. It is out on circuit. In Transkei's capital of Umtata, about 600 of the deported squatters refused to return to their villages and were put up in local churches. The Transkei army came to the rescue with food.

Some squatters who attempted to return to Cape Town immediately were stopped by police roadblocks on the highway. For a few days, roadblocks were also set up in the black townships of Cape Town to catch any "illegal blacks" who had slipped by.

The affair strained relations between South Africa and Transkei, the first black reserve or homeland to become "independent," a status recognized only by South Africa. Transkei officials resented the squatters' forced move to a place where there are no jobs. Prime Minister George Matanzima called Pretoria a "big bully."

"Transkeians are entitled to come and work in the Cape as much as any other racial group because they have contributed to its development," said a Transkei official who did not want to be named.

He deftly set aside for the moment the fact that the government he serves forfeited the right of Transkeian citizens to any claim on South Africa so far as Pretoria is concerned by accepting independence in 1976. Transkeians are now "foreigners" in the 87 percent of South Africa under white control.

There were high-level between the South African foreign minister and two Transkei Cabinet ministers. South Africa gave Transkei money to help the squatters relocate to their villages. But most of the squatters looked upon their \$65 dividend as fare to go back to Cape Town. They returned by bus, train and plane. Some hitchhiked. In their pockets many carried a letter written on offi-

cial stationery of the Transkei Ministry of Social Services identifying the bearer as a Nyanga squatter and requesting that employers "give these people preference when they apply for employment."

"That carries no weight here [in Cape Town]," a white woman said. "It's like South Africa giving a paper to someone asking that they be given a job in England."

Mr. Gocini is a bit luckier than most. "I went back to my employer and said, 'Here I am' and he gave me back my job," the 38-year-old factory worker said. "I'm staying with my sister [in her Nyanga home] and my wife is staying with her daddy," he said. His wife returned from Umtata first. "I waited until the next Sunday," he said.

Why Sunday? "It's easier," he said with a grin, "there are less roadblocks."

In August, we saw about 900 cases from the Nyanga site," said the director of a volunteer-run advisory office. "It dropped to about 50 in September, but this week it's picked up like mad." In two days more than 200 persons came for help, she said.

Official government policy is that Cape Town must be kept a "preferential" area for the mixed-race population. This is why influx control is so rigorously pursued here and why the Nyanga squatters became the focus of government attention. By keeping out families and restricting labor to yearly renewable contracts, the authorities hope to prevent new black residential areas from developing.

This policy overlooks the fact that mixed-race persons are migrating out of Cape Town for the more industrialized Transvaal to take up better-paying jobs. It also flies in the face of the free labor market system that the government claims to favor as a bastion of capitalism.

INSIDE

Nobel Awards

Two Americans and a Swede won the 1981 Nobel Prize in Physics on Monday for work on laser-beam studies of the atom. An American and a Japanese professor shared the chemistry award for "molecular" theories on chemical reactions. Page 6.

Denationalization

The Thatcher government has announced plans to break the British Gas Corp. monopoly in natural gas supply and sell 51 percent of the exploration and production arms of British National Oil. Page 9.

Dodgers, Yankees

Rick Monday's two-out home run in the top of the ninth inning propelled the Los Angeles Dodgers past the Montreal Expos and into the World Series against the New York Yankees beginning Tuesday. Page 15.

Europe Nations Wary Of Spanish Goods in Cooking Oil Scandal

By James M. Markham

New York Times Service
MADRID — A scandal involving the illicit sale of toxic cooking oil, which has taken at least 161 lives and spread panic among Spanish consumers, has begun to concern nations that import Spanish canned goods and vegetable oils.

Last week, the European Parliament in Strasbourg voted in favor of a system that would permit the rapid withdrawal of contaminated products sold in the European Economic Community in light of the Spanish situation, which has affected 15,000 people who consumed rancid oil that had been intended for industrial use.

The European Parliament, though, appeared to have been partly pacified by a report from Ivor Richards, the Common Market's social affairs commissioner, that rigorous testing had found no signs of contamination in Spanish goods exported to the market.

As a precautionary measure, Italy earlier this month temporarily blocked imports of Spanish olive oil and canned goods such as fish that contain oil until health authorities had determined the toxic agent that has produced the fatalities. The French government is expected to follow the Italian example by banning the import of similar products for three months.

Inept Response Seen

The spreading European rejection of Spanish food exports is seen in Madrid as another blow to the troubled government of Premier Leopoldo Calvo Sotelo, which has been widely perceived as sluggish and inept in its responses to the adulteration scandal.

"This, of course, is first of all a tragic public health problem," said a European diplomat who has been closely monitoring the implications of the mass poisoning. "But I think the Spanish authorities are only beginning to realize that it could become an economic catastrophe as well."

In a parliamentary debate on the question last month, the opposition Socialist Party called for the censure of five ministers, including Health Minister Jesus Sancho Rof, who took off on vacation this summer when specialists were still disputing the exact origins of the poisoning.

Since then, investigators have pinpointed a handful of companies that imported adulterated rapeseed

oil, which had been specifically treated with aniline to make it fit only for industrial use, and others that had processed it at high temperatures to rid it of its chemical taste and color. It appears that either this processing or the manner in which the oil was transported converted the aniline into a substance, anilide, which may be a toxic agent in combination with rancid oil.

Still Sold in Shop

A total of 21 brands of cooking oil, which in many cases had been sold by ambulatory vendors, have so far been listed as toxic by the government, which believes that the bulk of the poison oil has now been withdrawn from the market. But only 10 days ago in Madrid a shop was discovered selling one of the first brands to have been banned.

When the first death occurred in May, doctors and the press began calling the disease "atypical pneumonia," since victims complained frequently of respiratory complications, as well as skin rashes and sores. But it is now evident that the poisoning generates a polio-like atrophy of muscles that, in fatal cases, ends in the collapse of the lungs.

More than 800 persons are still hospitalized, and doctors report that the small but persistent weekly death list is composed mostly of rashes, not new, acute cases, which suggests that not many fresh poisonings are occurring. But no cure has been found that can reverse the syndrome.

So far, 22 businessmen and others implicated in the scandal have been arrested.

Spanish Protest Reported

MADRID (Reuters) — Spain has protested to France about a possible French ban on imports of some Spanish canned products because of fears they might contain poisoned cooking oil, official sources said.

Spain's secretary of state for foreign affairs, Carlos Robles Piquer, told French Ambassador Raoul Delaunay on Saturday that France should not make such a decision without giving Spanish experts a chance to prove the cooking oil was innocuous, the sources added.

U.S. Agency Warns Travelers

WASHINGTON (AP) — The Food and Drug Administration took the unusual step Monday of warning American travelers to Spain that they risk serious illness or death from consumption of adulterated cooking oil.

The FDA said Americans should avoid buying or consuming products canned in Spain if there is any reason to suspect that they may have been prepared with the fake "olive oil."



Polish Solidarity union leader Lech Walesa, right, made the V sign as he shook hands with French labor leader Andre Bergeron during a meeting they had in Paris on Monday.

Jaruzelski Says Government Cannot Retreat Any Further

(Continued from Page 1)

tion of worker rights won during last summer's strikes and threatened to impose martial law.

The union executive called on its regional branches to poll workers at their factories on their reaction to the committee's resolution.

The 58-year-old general, the third party leader since nationwide strikes swept the country and launched the independent trade union in the summer of 1980, said Mr. Jaruzelski was his "close, warm friend." But he said there had been "stumbling and weaknesses."

"I feel jointly responsible for them . . ." the new party chief said, adding that he would continue on "the same general course."

Mr. Jaruzelski replaced Edward Gierek as party chief in September, 1980.

"We haven't sought confrontation," Gen. Jaruzelski said in his acceptance speech. "We have always avoided it. Today, we are not striving for it either, but one thing is certain: Our possibilities for retreat have been exhausted."

In a statement broadcast nationwide, the Central Committee said: "The disorganized Polish economy is today on the brink of collapse. The blows dealt to industrial production directly affect all of us. Let us end strikes."

"Solidarity's leadership has unilaterally violated social agreements, usurping the role of a superior force to dictate to the community, the Sejm, the government, social organizations and institutions," it said.

A government statement carried by PAP said: "The increased anx-

ities and bottlenecks in production can only lead to complete chaos. An immediate improvement is possible only if there is fruitful cooperation between the authorities and all representative bodies, above all the trade union movement."

The Central Committee asked the Sejm to suspend the right to strike and called for resumption of the six-day workweek.

Until recently, Gen. Jaruzelski, who became premier in February, supported Mr. Kania's policies of negotiating with Solidarity, the only union in the Soviet bloc free of government control. But three weeks ago, the general hardened his position, warning the union to moderate its demands.

Meanwhile, in Stockholm, U.S. Defense Secretary Caspar W. Weinberger said, "My understanding is that the new party leader of Poland favors a continuation of that policy [of negotiating with the union] and while there are negotiations there is hope and indeed the expectation that equitable and fair settlement can be reached."

In other labor developments, a number of plants in the Lubogora area of western Poland struck Monday to protest the dismissal of a factory Solidarity leader, the union's news bulletin said.

Warsaw's major printing house announced a strike alert Monday to protest the firing of Jack Natchynski, editor of the Communist youth daily, Sztandar Mlodziezhy. He was dismissed last week, in a purge of recalcitrant liberals in the party, after publishing an interview with Poland's leading dissident, Jacek Kuron.

Brezhnev Has Praise For Jaruzelski; Urges Crackdown on Union

By Serge Schmemmann

New York Times Service

MOSCOW — President Leonid I. Brezhnev on Monday signaled satisfaction with the selection of Gen. Wojciech Jaruzelski as Poland's new party leader, lauding him as a consistent supporter of Soviet-Polish friendship and urging him to use his "great prestige" to rally Polish Communists against "counterrevolution."

Moscow further displayed its approval of actions taken by Polish Communists at the weekend meeting of the party Central Committee by publishing extensive excerpts from its resolutions, including the affirmation of the government's power to proclaim martial law and proposals for a suspension of the right to strike.

Mr. Brezhnev's cordial and personal telegram of congratulations to Gen. Jaruzelski contrasted sharply with the harshness of most recent Soviet references to the Polish government and party. Stanislaw Kania, whose resignation as first secretary Sunday preceded Gen. Jaruzelski's election, has gone virtually unmentioned in the Soviet press for several weeks.

President's Message

"Knowing you as a prominent party and state leader of fraternal Poland and as a consistent supporter of inviolable friendship between the Polish People's Republic and the Soviet Union, we express confidence that at this crucial historical moment you will use all your great prestige to rally the ranks of the Polish United Workers' (Communist) Party on the basis of the principles of Marxism-Leninism, in the interests of defending the Socialist gains of the Polish working class and all working people of Poland against encroachments by counterrevolution, overcoming the political and economic crisis of the country and further strengthening the sovereignty of the Polish state under the leadership of the PZPR," Mr. Brezhnev wrote.

He further pledged that Gen. Jaruzelski's efforts would meet with "understanding and support" from the Soviet Union, a phrase that may imply Soviet readiness to extend more credits and assistance to Poland's wounded economy if the new party leader lives up to Moscow's expectations.

The Kremlin has made no secret in recent months of its frustration with Mr. Kania for his inaction against Solidarity, especially in light of the militant positions taken by the independent union at its national congress in Gdansk — policies Moscow described as a direct challenge to Communist power in Poland.

Early last week, in a stern and authoritative statement clearly intended for the Polish Central Committee meeting, Pravda declared that nowhere else would behavior like Solidarity's be tolerated and that it was the special respon-

sibility of the Polish party to re-buff the union effectively.

But while Moscow's dissatisfaction with Mr. Kania was clear, it was not certain until Mr. Brezhnev's telegram whether the Kremlin would approve the choice of Gen. Jaruzelski, who is also the premier and the minister of defense.

Criticized in June

Early last June, Moscow criticized both Gen. Jaruzelski and Mr. Kania by name in an open letter sent to Polish Communists. The general, however, emerged as the highest vote-getter at the party congress in July, and in recent weeks he has been quoted favorably in the Soviet news media.

A clue to Moscow's satisfaction with Gen. Jaruzelski was in the reference to his "great prestige," a phrase that seemed to single him out as the Polish leader who had the popularity, power and stature to take the tough stance toward Solidarity that the Kremlin has been demanding.

Despite the Kremlin's loss of faith in Mr. Kania and its expression of confidence in Gen. Jaruzelski, there was no indication that Mr. Jaruzelski had been engineered by Moscow. Reports from Warsaw indicated that Polish Communists themselves had become impatient with Mr. Kania, and the Russians may have realized that direct attempts to ignite an anti-Kania movement could prove counterproductive.

The Soviet hope that, in Gen. Jaruzelski, Poland at last had a Communist leader who could act as buttressed by Moscow's approving reading of the resolutions of the Central Committee. Tass carried five pages of excerpts from the document, including criticism of the lack of resolve in the government and affirmation of the authorities to "use their powers provided by the constitution to defend the vital interests of the people and the state."

Tass also published long segments of the speech made by Gen. Jaruzelski to the Central Committee, focusing on his declaration that "the possibilities for retreat have already been exhausted."

17 Insurgents Killed By Philippine Troops

Reuters

MANILA — Seventeen persons were killed when Communist guerrillas and Moslem separatists fought government forces in three encounters during the weekend, the Philippines' military headquarters said Monday.

In Agusan province, five persons died in a clash between paramilitary forces and a Communist band at Eperanza, and police killed two military guards in Sultan province, 10 persons died when the Moro National Liberation Front fought government patrols.

Papandreou Victory Is Welcomed by Russia

By Dusko Doder

Washington Post Service

MOSCOW — The Soviet Union welcomed the Socialist victory in the Greek elections with a flurry of commentaries Monday voicing hopes that the new government of Andreas Papandreou would make radical changes in Greek foreign policy.

One commentary distributed by the press agency Novosti suggested that the new Greek government should take up a Soviet offer for a bilateral agreement under which Greece would ban all nuclear weapons from its territory. The Russians, in exchange, would pledge never to use nuclear weapons against Greece in case of a nuclear confrontation.

Tass was more cautious, merely praising Mr. Papandreou's call for the removal of U.S. nuclear weapons from the Greek territory. Tass said such a move "would lead to the country's exclusion from a possible nuclear conflict."

Tass attributed the impressive Socialist victory to the "positive program" of Mr. Papandreou. He is opposed to Greek participation in NATO and the European Economic Community and to the U.S. military bases in Greece.

But, Tass said, Western reaction to the Socialist victory forecasts "considerable difficulties" in implementing Mr. Papandreou's program.

The commentaries indicated, however, that Moscow views the Papandreou victory as likely to result in a more independent Greek foreign policy but that he may dilute his opposition to NATO and the EEC to consolidate his position at home.

U.S. Seeks Rapport

WASHINGTON (UPI) — The State Department said Monday the United States intended to do what it can to foster good relations with Greece's new government.

In a cautiously worded statement, a U.S. spokesman said, "We believe a good bilateral relationship is in the interests of both Greece and the United States."

The spokesman said that the United States would wait until it saw what the new government was going to do about Greek membership in NATO before making any moves.

The spokesman said, "Greece has been a valued member of NATO since 1952; our bilateral agreements date from that time and these military facilities form an important part of our alliance defense in the eastern Mediterranean. Successive Greek governments have maintained membership in NATO to be of benefit. I don't want to speculate on the policies of a new government that hasn't presented its new program."

The spokesman made no mention of the fact that Greece re-

WORLD NEWS BRIEFS

Irish Police, Gunmen Trade Shots

Reuters

DUNDALK, Ireland — Police said Monday that they had exchanged shots with gunmen whom they suspected of being involved in the kidnapping of a millionaire's son.

No one was injured in the incident Sunday night and the gunmen fled across the nearby border into Northern Ireland, police said. The shooting took place about five miles from where Bernard Dunne, 32, son of the head of Ireland's largest supermarket chain, was kidnapped Friday.

In Belfast early Monday, police shot to death a 24-year-old man who they said had been in a stolen taxi that crashed through a roadblock. They said he was a member of the Ulster Defense Association, a Protestant paramilitary force.

Woman Arrested in Kroesen Attack

The Associated Press

KARLSRUHE, West Germany — The police have made their first arrest in connection with last month's attack on the U.S. Army's Europe command center, the Federal Criminal Office announced Monday.

Helga Roos, a 27-year-old Frankfurt student, was arrested Friday on charges of "supporting a terrorist band," the office said.

Miss Roos was suspected of having purchased the tent found near the wooded spot from which terrorists fired a Soviet-made RPG-7 grenade at a car carrying Gen. Frederick J. Kroesen Jr. and his wife.

Spain Autonomy Votes Seen as Test

Reuters

SANTIAGO, Spain — More than 6 million people in two of the poorest parts of Spain vote Tuesday in autonomy polls seen as an important test for the central government. The votes will be the first indication of opinion since the attempted military coup last February.

Politicians fear there could be a high abstention rate in Galicia, which elects its first regional parliament, and Andalusia, which votes in a referendum on autonomy. Analysts said a low turnout would point to disenchantment with the way Premier Leopoldo Calvo Sotelo has handled regional autonomy.

Galicia is a stronghold of the ruling Union of the Democratic Center, but local officials say opinion polls show that the Socialists and the conservative Popular Alliance could gain at the expense of the centrists. Meanwhile, a parcel bomb exploded Sunday night in the offices of the Ministry of Culture in Pontevedra, Galicia's provincial capital, causing damage but no injuries.

Croatian Activist Slain Near Paris

Reuters

PARIS — A Croatian activist was killed Monday by a bomb planted under his car in a suburb south of Paris, police said.

Mate Kolic, 41, detonated the plastic explosive when he switched on the ignition. His wife, who was also in the car outside their home in Cachan, was seriously wounded, police said.

They said that Mr. Kolic, a Yugoslav citizen, was a member of a Croatian autonomist organization. Over the past seven years several Croatian activists have been slain in France and Croatian groups have claimed responsibility for a number of violent incidents.

Civilian Chief Named for West Bank

The Associated Press

TEL AVIV — Defense Minister Ariel Sharon appointed a Hebrew University professor Monday as the first civilian administrator of the occupied West Bank of the Jordan River, a Defense Ministry spokesman said.

Menachem Milson, a professor of modern Arabic literature, will head a new civilian administration that will assume many of the functions now performed by military officials, the spokesman said. The appointment takes effect Oct. 30.

Officially, Mr. Milson will be acting under the authority of the present military government in the West Bank, but is expected to take his orders directly from Mr. Sharon.

Liverpool Dockworkers End Strike

The Associated Press

LIVERPOOL, England — A weeklong strike by 3,500 dockers in Liverpool's Merseyside port district ended Monday when workers accepted a recommendation from union shop stewards to return to work.

Both the Port Employers' Association and Denis Kelly, chairman of the dockers' shop stewards committee, called the strike "stupid." It began when management refused a union request to increase a cargo-handling crew from six to eight men.

The employers have been seeking union agreement on cutbacks in manning levels. The dockers, who voted to return at a mass meeting Sunday, agreed to resume talks on work-force reductions and higher pay for higher productivity. The strike had idled 14 vessels.

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A Hand of Compassion

The Office of the United Nations High Commissioner for Refugees has for decades done the heroic and sorrowful work of caring for the millions — the tens of millions — of people around the world who continue to be forced to flee their homelands. It won its first Nobel Peace Prize for tending to the human debris of World War II in Europe, and it has now won its second for tending to the victims of the political violence that has since become endemic elsewhere. Upheaval seems a permanent fixture of contemporary international life. Desperate people are washed across national frontiers like so much soapy water. So it has become necessary to institutionalize a humanitarian response, in the High Commissioner, and to keep up its public standing, its authority to deal with sovereign governments and its morale by Nobel Prizes.

No single nation can say it has done everything it can to care adequately for the estimated 12 million to 14 million people classified as refugees today, or to prevent the generation of refugees, past and future. As impolitic as it may be for the Nobel Committee to say so, however, the fact is that the Soviet

Union has a special record. Its policies and its weapons have had a very large part in generating the principal current refugee flows, from Indochina, Ethiopia and Afghanistan, not to speak of Cuba, and it utterly refuses to accept any responsibility for these results. No country today is doing more than the Soviet Union to mock the concept of an international "community" — the very concept that the Office of the High Commissioner, and the several hundred voluntary agencies that work closely with it, have done so much to strengthen.

The United States has long been a bulwark of the work and purpose of the UN commission. The Reagan administration is sustaining this tradition. It is providing important funds, and with other governments it is trying to ensure that the commission gets a better grip on the management problems that have arisen in the wake of necessarily rapid recent budget expansion. This should help make the commission an even more effective hand of compassion extended to some of the most wretched people in the world.

THE WASHINGTON POST.

The French Were There

To Americans it frequently seems that their old friends the French can be exceedingly exasperating and that the alliance has rougher edges than necessary. That is all true, but when these thoughts occur it is useful to recall an earlier moment in that long friendship. When the British surrendered at Yorktown 200 years ago yesterday, it was because a fleet of 37 French ships of the line had seized control of the Chesapeake and cut off any hope of relief.

In the late summer of 1781, Gen. Cornwallis and his British troops were in well-fortified positions on that long peninsula, with their backs to the sea. They were bored, but hardly worried. Their chief complaint was that they were stuck in a southern swamp hundreds of miles from the center of the action. In New York, the British commander, Gen. Clinton, was preparing for the combined British and French attack on the city that both sides expected to be the decisive battle of the war. Then the allies suddenly changed their strategy.

In early September, a British admiral took his ships down toward Virginia looking for a French squadron, and realized that Adm. de Grasse's main fleet had suddenly appeared from the West Indies. They fought a sharp but inconclusive battle off the Chesapeake Capes, and the British, having suffered a good deal of damage, fell back to New York.

Meanwhile, the American Army under Gen. Washington and the French under Count de Rochambeau had abandoned New York and were cutting rapidly southward.

As the French marched through Philadelphia, then the capital, Count de Rochambeau ordered his men "to salute Congress as a crowned head, and the president as the first prince of the blood." A historian observes that the courtesy must have greatly astonished the congressmen watching from the State House, for they rarely got much respect from their own troops.

Reaching Yorktown, the allies began pressing Gen. Cornwallis back and on Oct. 19, after days of artillery fire, he surrendered. It was a political triumph for the Americans, ending the Revolution, but in military terms it was mainly a French victory. Without de Grasse's ships just over the horizon, the British would soon have relieved Gen. Cornwallis by sea from New York, and Yorktown would have been one more incident in a long war that might conceivably have come to a different ending.

French warships have returned to the Chesapeake for the celebration of the anniversary, and they are very welcome. That is what anniversaries are for — to remind you how the world was changed, and who was there.

THE WASHINGTON POST.

Rogue Elephants at Large

If the Central Intelligence Agency can punish former agents who break its rules against disclosing secrets learned on the job, why can't it do something about former spies who train foreign terrorists? The question becomes more compelling with each revelation about the exploits of Edwin Wilson and Frank Terpil. These former agents, currently fugitives from gunrunning charges, have exploited their service-connected skills and credentials in the cause of terrorists like Idi Amin and Colonel Qadhafi.

Wilson and Terpil have become central figures of continued reports about the unauthorized transfer overseas of America's advanced technology, weapons and expertise. For all their resemblance to fictional spy stories, these tales depict an alarming lack of control over lawless action, sometimes taken in the nation's name. Fortunately, Congress and some parts of the executive branch are beginning to show concern.

The reaction was swift enough three years ago when Frank Snepp, a CIA official at the end of the Vietnam war, published a book about his experiences without clearing the manuscript. The Justice Department sued him for every cent the book earned, and the Supreme Court upheld this method of holding former agents to their oaths of secrecy.

No such contract clause seems to prevent the CIA's alumni from exploiting their knowledge to recruit Green Berets to train guerrillas in Libya, or from enlisting criminal contractors in their schemes. Criminal

laws prohibit sneaking military equipment and technological expertise out of the country, but there seem to have been no safeguards preventing people from being gulled into thinking the government secretly approved such activity.

Wilson and Terpil may be the worst examples of the "retired" hired gun. Yet they are undeniably a product of their professional world, exploiting what it teaches about covert operations and disguised affiliations. Business firms and government officials are said to have been led — or willing to be misled — into believing that they were still on official business. And there appears to have been no way for any suspicious person to check on them.

It is one thing to countenance undercover dealings that the CIA deems to be in the national interest. It is quite another to tolerate activities that directly aid despised regimes. The CIA as rogue elephant is bad enough, but what protection does it offer against purported CIA activity that it opposes?

Writing rules that curb the Wilsons and Terpils may prove more difficult than drafting censorship contracts. It may also be far less appealing to an administration that wants in fact to lift the restraints on intelligence operations. But if government fails to prevent such free-wheeling sabotage of its foreign policy and to deny such operatives their connections, the world can only conclude that they acted with official sanction.

THE NEW YORK TIMES.

Other Opinion

Expectations and a Warning

For the first time, the rulers of Western, developing and oil-exporting countries are meeting to discuss how they can jointly tackle the daunting economic crisis facing all their peoples. If Cancun is a success it will

mark the beginning of the long climb to recovery; if it fails, the slide to disaster is likely to accelerate. The most important factor in determining the summit's success or failure is human relationships. All sides need to recognize this and act accordingly.

— From The Observer (London).

In the International Edition

Seventy-Five Years Ago
October 20, 1906

CONSTANTINOPLE — Of late, the world has been informed through the newspapers that the health of Abdul Hamid, Sultan of Turkey, is in a most precarious state. The reports went so far as to say that His Imperial Majesty's days were numbered and that to deal in the months the Padishah had to live was to deal in very small figures. The papers had even begun to count Abdul Hamid as doomed, and therefore a negligible quantity. But Abdul Hamid, now 64, is an exceedingly well man, and what is more, never felt better in his life than he does now. He is spare of body, abstemious of habit, a hard worker, and a man of exceeding active brain. He has never known what illness means.

Fifty Years Ago
October 20, 1931

PARIS — Today's roundup under the heading "The Screen" includes this review. "It's those Marx Brothers again. Although they are always, whether on stage or screen, involved in 'Monkey Business,' this is the first time they have been chosen to go name their frolics. This time the comedians are on an ocean liner where they mix in with rival gangsters and show the way the underworld should be run. The comedy is rough, spontaneous and continuous, with the gagmen never falling down on their jobs of feeding the three comedians. The scenes at the customs offices and in the gangsters' cabins are rare gems of comedy. For those who enjoy laughing continuously for 90 minutes."

Learning to Keep On Learning

By Flora Lewis

GALAPAGOS ISLANDS — Charles Darwin was only 26 years old when he visited the Galapagos in 1835. His careful eye and his endless yet humble curiosity had already provided a great range of evidence on the extraordinary and subtle variety of life.

But it was here, on this cluster of islands 600 miles west of South America, that he was struck by the purposeful pattern in the relation of organisms to their environment.

Most of the islands are volcanic. All plants and creatures had to come from afar, brought by winds and currents. There is considerable difference in the land. Some islands have a reddish soil. Some are arid; one has a dazzling white cover of what looks like sand but is all crushed shells. Although the islands are only a few miles apart, the varied conditions support distinctly varied types of creatures, which are undisturbed by man.

For Darwin, the great revelation was the clear sign they provided of the unity of life. The 13 different types of finches and the variations in the

states of Louisiana and Arkansas have passed laws requiring schools to give "equal time" and, in effect, equal credence to the two explanations of physical existence. The "creationists" are agitating for similar laws in many other states.

The movement causes concern among scientists of all kinds. They see it, correctly I think, as an attempt to reject the disciplined quest for variable knowledge. There is a dangerous attitude about, based on fear, that man may already know more than is good for him. Yet everything around us screams that we know far too little to know what is good for us.

Isaac Asimov recently made an eloquent plea to recognize that anti-science will menace America's capacity to deal with a changing, ever more difficult world. Jean Dausset, of France, the winner of the Nobel Prize in medicine, has gone further to point out that awareness of biology and evolution has become essential to survival of mankind itself. "Modern man," Dausset writes, "already numerous and soon too numerous on his little earth, can no longer be confident of nature's generosity. By his science, by his discoveries, he has transgressed the laws of nature. He can manipulate his life, his progeny... He must be aware of this power but also of the risks it brings, and so of his responsibilities."

Only by learning more — partly through scientific techniques to grow more food and produce more and less harmful energy; partly through moral understanding of interdependence that biology and ecology help provide — can these responsibilities be met.

Jean Dausset notes that it "isn't enough to be aware of the drama." Alone, intuition of impending disaster can lead to the wish to revert to some legendary golden age of ignorance, the common theme of fundamentalists of all religions. "Each individual," he says, "must know that scientific solutions exist, and understand the broad outlines." Failure to teach what has been learned, the tools for further discovery, is a most "dangerous sacrifice" for humanity.

So the Galapagos, with their blue-footed booby birds, orange-crested iguanas and sleepy giant turtles, have a modern lesson too for the creature whose most distinctive trait and glory is the ability to imagine, question and test. They are a reminder that survival takes adaptation and the use of our best faculties.

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It's Time to Go. The Muggers Are Out and the Dogfood's Getting Cold.

On Fear and Its Dangers:

LOS ANGELES — During the last 10 years, a battle has been raging over the very foundation of freedom upon which the U.S. government is based. Questions about the validity of the constitutional form of government are raised daily. Is the U.S. Constitution really as relevant today as it was in 1776, or has it run its course and lost its effectiveness?

I believe that it is relevant, but I recognize that it is under greater attack today than ever before. Why? Because Americans are afraid.

Regardless of their station in life, religion or politics, Americans fear for the safety of themselves and their possessions, and pray for economic stability. Fear is a debilitating emotion, and surely one of the most painful. Simply to be freed from that pain becomes a primary concern, so one is willing to try anything, give up anything just to feel better. A natural human reaction? But history shows that it is a very dangerous one.

In 1933, one of the most literate, intelligent nations on Earth found itself in the midst of chaos — riots, rampant crime, soaring inflation, Communist infiltration and economic disaster — and was willing to follow a man who advocated a law-and-order-oriented society to cure the pain the people felt in their lives. That man did what he promised to do, but his law-and-order-oriented society required a police state. The goal was achieved, but

at tremendous cost: Adolf Hitler and Germany were both destroyed.

That type of situation not only can happen to Americans, it is happening, and has been for the past seven or eight years. Basic fears are triggering various forms of restrictive legislation such as mandatory sentencing in every legislature in every state in the country and in Congress. This phenomenon is nothing more than an attempt to apply a simple solution to a very complex problem.

When simple solutions fail — and they have, as a matter of fact — the result is a loss of the people's confidence in their government, and ultimately a call to disregard the old and try something new, if only for the sake of feeling more secure. Whenever the people lose confidence in their government, their institutions and their leaders, can a loss of confidence in themselves be that far in the future? It may be that Page was right: "We have met the enemy, and he is us."

— GENE E. FRANCHINI.

Mr. Franchini, 46, resigned as a New Mexico district judge last month to protest mandatory-sentencing laws. He quit rather than send a man with an otherwise clear record, but convicted of a relatively minor crime, to a state prison system that some regard as the worst in the United States. He contributed this comment to the Los Angeles Times.

Middle East Decisions Are Needed Quickly

By Stephen S. Rosenfeld

WASHINGTON — There are two schools of thought on the obstacles in the path of the Middle East peace process now that Anwar Sadat is gone.

One is that the serious trouble starts on April 26, when Israel is due to evacuate the Sinai. The new Mubarak government, having meanwhile stood firm on Palestinian autonomy proposals that Israel finds unacceptable, will then put relations with Israel on a minimal, cool, formal basis, in an effort to assuage discontent at home and to buy Egypt's return to the Arab fold.

This will leave Israel in a black mood feeling that they have surrendered territory and a security buffer for an empty peace. It will curdle even further their taste for compromise in dealing with the Palestinians.

That is what the optimists expect.

The pessimists feel that the serious trouble will start well before April 26. The Begin government, anticipating the above scenario, will have great difficulty completing the Sinai withdrawal without being much more sure of President Mubarak than is now the case. No verbal assurances he could conceivably provide will help.

So the Israelis will devise some sort of test of Mubarak — say, a tremendous whack at PLO forces in Lebanon. If, despite it, Mubarak stays on the normalization track, the Israelis will complete their withdrawal, and if he gets off, the Israelis will not. In either case, the Egyptians will have no incentive to satisfy Menachem Begin on the Palestinian issue, since to do so would block Mubarak's chances of domestic consensus and Arab complicity.

Political

For what it's worth, I find myself among the pessimists. Israel has an immense national investment, and Begin an immense personal one, in consummating the Israeli-Egyptian peace treaty. But a case can be made that if consummation is to be incomplete, better that it happen before all the territory has been lost — if it can be portrayed as Egypt's fault. Egypt and Mubarak also have large investments in the treaty, but

not of the same gravity. After completion of Israeli withdrawal — if necessary, perhaps, even before — a deadlock on the Palestinian issue may have a certain appeal.

In a word, it is foolish for the Reagan administration to rely just on demonstrations of military reach and readiness to bring about a post-Sadat calm in the Middle East. The crisis there has a military dimension but is primarily political and centers on the Palestinians. That April 26 Sinai deadline was hanging out there anyway, and it was going to compel certain choices on the Palestinian question no matter who was ruling in Cairo.

The minimal American requirement is to get that planned multinational peace force out into Sinai quickly to ensure that, no matter what the state of Israeli-Egyptian political relations, military instability does not return to that front. The United States accepted such an obligation at Camp David.

Decision

After that, the administration had better get cracking and figure out how to keep some sort of negotiating process alive. Camp David has cast a dark shadow over its future by its purchased approach so far to the autonomy talks and by its expansive policy of Jewish settlement in the West Bank.

A number of Americans think it is wrong to give up on Camp David without the Reagan administration first making its own bid to make it pay off further. The Europeans favor their own approach to the PLO. The wider diplomatic community's clear favorite seems to be the Saudi eight-point plan, a wispy but suggestive outline that would, its partisans argue, sustain the large amount of additional work needed to make it into a worthy diplomatic vehicle.

But the prime need is not the right plan. It is, quite simply, for the friends of the two principals to undertake to impose a fair and secure settlement, the United States for the Israelis and mainly the Saudis for the Palestinians.

For Ronald Reagan this will take a difficult combination of firmness and assurance, including perhaps an offer of a concrete security guarantee. It entails a momentous political decision, and at this point he does not appear even close to considering it.

If he is not impressed by the argument that American interests may otherwise suffer, he might consider the openings that a non-decision offers to Moscow. It might also make a difference to Ronald Reagan, considering that he is Ronald Reagan, that by going about it the right way he could do a great service to Israel, a nation he cares about deeply.

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Viewing the Bonn Demonstration

The impression of West German nationalism and anti-Americanism given in your report (HT, Oct. 12) on the Bonn peace demonstration is misleading.

First, the peace movement is not nationalistic. The point is that NATO has made a bad decision. After a war our country would be a desert, nothing but a desert — even after a conventional war.

Second, the movement is not anti-American. It opposes the defense policy of the present American and West German governments.

Many people think that, as the United States is a democracy and the Soviet Union a dictatorship, only the Soviet Union can be a threat to peace. This is an argument of dreamers.

NATO and Warsaw Pact defense concepts are based on worst case scenarios. The number and accuracy of U.S. nuclear missiles qualify them as first-strike weapons. This is a fact, and a disturbing one, whatever may be said of American intentions.

The deployment of so-called theater weapons in Europe changes the balance of power, and is not an answer to the Soviet SS-20 — which most members of the peace movement also oppose. (But we can't change the decisions of the Warsaw Pact.) Now, for the first time in the history of the arms race, one superpower will be able to cause strategic damage to the other with a warning time of only a few minutes.

The NATO rearmament decision causes a dangerous speedup of the arms race and a further destabilization of the already precarious military situation. Every American and every German concerned about the security of his country should protest against it. Tübingen, West Germany. MARTIN BEYER.

On Discovering More Discoverers

Once again Columbus Day has come and gone, bringing that annual Loch Ness monster among historical enigmas: Who discovered America? Meaning, of course, someone other than the indigenous population. Surely it is about time someone insisted on a clearer definition of "discovery." The only significant meaning of that word, when it comes to America, is obviously the contact by Europeans that began the process of exploration and colonization which ultimately led to America we know today.

Although Vikings, St. Brendan and his Irish monks, and even perhaps the Chinese may have stumbled upon her shores unwittingly, America owes her discovery to the voyages of Columbus, sponsored by the kingdom of Castile. Is there any good reason for continuing to deny this historical reality?

JAY FRANCIS.

Professionalism at the VOA

A former USIA officer (who last served as director in Istanbul, 1974-1976) now living in France, I am not surprised by "Voice of America Reporters Fear a Move to Propaganda" (HT, Oct. 9). No administration has granted the Voice of America the degree of operational autonomy necessary to ensure real credibility in opposition to what all the world recognizes as propaganda coming from the Soviet Union. Policy

restrictions have indeed prevented VOA from projecting the balanced picture that partisan leaders claim they want. Republican pressure has been decidedly heavier than Democratic control.

To upgrade the professionalism of VOA employees, as the Reagan administration director claims he wants, an important first step would be to eliminate the frustration that inevitably results from instructions tending to confuse professionalism with government control.

Jussac, France. JAMES K. WELSH.

Irish-Americans and the IRA

I recently returned from a holiday in the United States and am appalled by the amount of misguided sympathy shown there for the IRA. It is my belief that this perverse support is derived from guilt feelings handed down to second- and third-generation Irish-Americans by misinformed parents who deserted Ireland and had neither the desire nor the decency to return, even for a visit.

M. MILLS.

In Dogged Defense of 'Cleopatra'

I am much saddened by director Joseph L. Mankiewicz' public disowning of his film "Cleopatra" (HT, Sept. 16). The description of the circumstances in which he was required to direct it certainly sounds appalling. Yet I, for one, thought it a masterpiece, with many moving scenes, much sparkle, and containing an intelligent view of a fascinating past era.

I hope the fierce critical onslaughts on "Cleopatra," far from unusual toward much-publicized "epics," have not influenced Mr. Mankiewicz' judgment. It makes the chance of a much-needed reassessment of the film even smaller. I can assure him that if he could get "Cleopatra" reshown in London, I would certainly see it again — for the 51st time.

London. RICHARD B.L. FITZ WILLIAMS.

Pigeon at La Pyramide

In your Oct. 10-11 issue you have an article by Pauline Wells entitled "La Pyramide: A Monument in Name Only." Considering how little time it took to write such an article, compared with the two lifetimes it took to build up a restaurant such as La Pyramide, Miss Wells' harsh judgment is unfair. In my personal opinion, it is also untrue.

A mishap (for which the restaurant was not at fault) concerning the wine is described in such detail as to make the greatest maître sommelier, Louis Thomasi, who is an authority and a wonderful and humble person, look ridiculous to an unknowing reader. As for the marjolaine chocolate cake, I found it excellent when I ate it at La Pyramide recently.

I find the article disgraceful. My friends, my colleagues and I know that it gives a totally wrong impression of a restaurant that is still one of the best in the world.

Zurich. RAOUL T. de GENDRE.

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Cancún



Soldiers of the presidential guard took up positions this week at the Cancún, Mexico, airport in preparation for the arrival of leaders from 22 nations for the North-South talks starting Thursday.

Gandhi Indicates She Will Adopt Conciliatory Position at Cancún

By Stuart Auerbach

NEW DELHI — Prime Minister Indira Gandhi has signaled that she is willing to put aside differences with the Reagan administration and take a conciliatory position at this week's North-South economic summit between the leaders of 14 developing and eight industrialized nations.

India considers President Reagan's views on the economic problems of the Third World unrealistic and not in tune with the real needs of poor countries. Nevertheless, Mrs. Gandhi said in an interview with three American correspondents last week, "There should be a beginning of a dialogue" at Cancún, Mexico.

"It seems to us [the developing world] that the door is closed," she said. "It should be opened. It is something that is bound to take time but a beginning should be made."

Mrs. Gandhi said she hoped to use her first meeting with Mr. Reagan, set for Wednesday, to tell him about the problems of developing nations. "The main purpose of such a conference is to try to get a deeper understanding of people's and countries' thinking and why they think that way," she said.

"Much Depends" on Reagan
The Indian leader put major responsibility on Mr. Reagan for the success or failure of the summit Thursday and Friday. "Much depends" on him, Mrs. Gandhi said. India and China are considered the leaders of the poorer nations of the South represented at the meeting. Apart from the United States, participating for the industrialized

North are Britain, Japan, West Germany, France, Canada, Sweden and Austria.

Mrs. Gandhi appeared to agree with Mr. Reagan that freer trade between nations is a key factor in improving the economies of the poorer nations, but she gave no indication that she was ready to lift India's import barriers, which are among the most stringent in the world.

She appeared willing, however, to compromise on proposals that have wide support among the underdeveloped nations as well as some of the industrialized countries, but which are opposed by Mr. Reagan. These include "global negotiations" in which all nations would thrash out the problems of the developing world, probably under United Nations auspices. The Reagan administration believes that approach leads to confrontations with no hope of progress.

Energy Affiliate Idea

Although she has long supported the concept of global negotiations, Mrs. Gandhi indicated that she would accept a different type of forum as long as the aim remained the same. Similarly, she said she was willing, "if someone has a better idea," to reconsider her support of an energy affiliate to the World Bank to help developing nations finance the crushing costs of oil and gas explorations.

This idea was first floated by the Carter administration, but opposed by Mr. Reagan, who said oil and gas exploration should be left to private companies instead of governments with World Bank financing.

The view that free enterprise and private capital provide the best path for developing nations runs counter to India's economic principles. While India has a mixed economy, with about half of it in private hands, there is a heavy overlay of planning and government regulation.

India could be squeezed badly economically if international aid organizations such as the World Bank and International Monetary Fund adopt the Reagan bias toward free enterprise. Over the years, India has been the largest recipient of foreign aid in the world.

China Warns of U.S. 'Isolation'

PEKING (UPI) — China delivered its harshest attack on President Reagan's policy toward poor countries Monday, warning the United States will end up in "dire isolation" at this week's North-South summit.

The Guangming Daily, China's intellectual newspaper, criticized the president's speech last week in Philadelphia for not mentioning UN proposals for global negotiations on bridging the gap between rich and poor countries.

Pravda Denounces Summit

MOSCOW (Reuters) — Pravda on Monday condemned the North-South summit as an attempt by the West to divide Third World states and subjugate them to its own economic interests.

It said Soviet refusal to attend the talks had been used to "distort and smear" Moscow's views on the issues involved.

For Arafat, Some Diplomatic Gains in Far East

By Henry Scott Stokes
New York Times Service

TOKYO — Touring the Far East last week, Yasser Arafat won impressive diplomatic gains for the Palestine Liberation Organization. Before visiting Japan, he was warmly received in Peking, Pyongyang and Hanoi. The Chinese news agency called on the United States to press Israel to make concessions toward bringing the Palestinians into a peace settlement in the Middle East. "Now it is up to Israel to make the next move," the agency said.

In Tokyo, Mr. Arafat met Premier Zenko Suzuki of Japan, the first head of a major non-Communist government to receive him. The substance of their talk is not known and may not matter greatly, but afterward, Japanese diplomats tied themselves in knots expressing support for the PLO and allegiance to Washington, all in one gesture. Japanese officials said they were in touch with the United States and would pass on what they learned from Mr. Arafat. This was a polite Japanese way of repeating Peking's message.

Mr. Arafat was invited by the Japan-Palestine Friendship League, an obscure parliamentary group, but, in fact, the visit was organized behind the scenes by the government.

'International Recognition'

The Japanese press was sympathetic to Mr. Arafat during his four-day stay. The Japan Times said that "it is high time that the [PLO] received due international recognition, which would, in turn, help to dilute its image of a terrorist organization."

Mr. Arafat's welcome in Tokyo was warmed by the statements last weekend by former Presidents Jimmy Carter and Gerald Ford suggesting that direct contacts between the United States and the Palestinians were inevitable. Although the two leaders added that the PLO would have to agree to

reach accommodation with Israel, their remarks were interpreted as a sign that American opinion was shifting in favor of the Palestinians.

Mr. Arafat's reception, under the protection of a security force

NEWS ANALYSIS

of 17,000 police, reflected Japan's 70-percent dependence on Middle East oil. Moreover, the Japanese expect to become even more dependent on the region. Japanese oil experts estimate that oil production will begin to decline in the United States in 10 years and will slump in the Soviet Union four years later. But Middle Eastern reserves are good for another half-century, said Naohiro Amaya, a former official at the Ministry of International Trade and Industry.

Important Positions

Japan's conclusion is obvious. A senior Foreign Ministry official, who played a key role in preparing for Mr. Arafat's visit, told American reporters that Japan has to be friends with the Arabs, and "you can't just ignore the four million best-educated Arabs." The Palestinians may have no oil of their own, officials observed, "but they hold important positions throughout the Middle East, as technicians, executives and bankers."

Neither Japanese nor Chinese experts believe that framing a Middle East settlement to include the Palestinians will be easy. "It is still too early to think that the thaw has started," said the Chinese news agency. But in Tokyo and Peking it was noted that Mr. Arafat responded positively to the Saudi eight-point "peace" plan of Prince Fahd. It calls for Israeli withdrawal to 1967 borders and the creation of an independent Palestinian state with Jerusalem as its capital. Israel has rejected the Saudi formula.

Karmal Sees Rapid End of Problems If 'Imperialists' Stop Arming Rebels

United Press International

NEW YORK — If the United States and China halt the flow of arms to anti-Communist rebels in Afghanistan, 85,000 Soviet troops would withdraw and the government could solve its problems "in a matter of months," President Babrak Karmal said in an interview released Sunday.

"The limited contingent of our Soviet friends is to be held in reserve, as a potential force to be used against the massive outside aggression in this undeclared war that is being waged against us by terrorists operating from about 80 bases in Pakistan," Mr. Karmal told Time diplomatic correspondent Strobe Talbott in his first interview with an American reporter.

"They are armed by the American imperialists and the Chinese

hegemonists, and funded by the petrodollars of Saudi Arabia."

"If the outside interference were to stop, we could solve all our problems in a matter of months, and the limited contingent of our Soviet friends could go back to their home in the peace-loving U.S.S.R.," said Mr. Karmal.

[Last month, Sadat disclosed that the United States had bought Soviet-made weapons from Egypt and had been shipping them to the Afghan insurgents for almost two years. U.S. officials did not confirm Sadat's remarks.]

The Japanese endorsed it for the first time during Mr. Arafat's visit, whereas previously they had emphasized support for the Camp David framework. They cannot have it both ways, Mr. Arafat insisted. Camp David and the Saudi plan are quite different, he said, dismissing what Camp David offered Palestinians as "a new slavery."

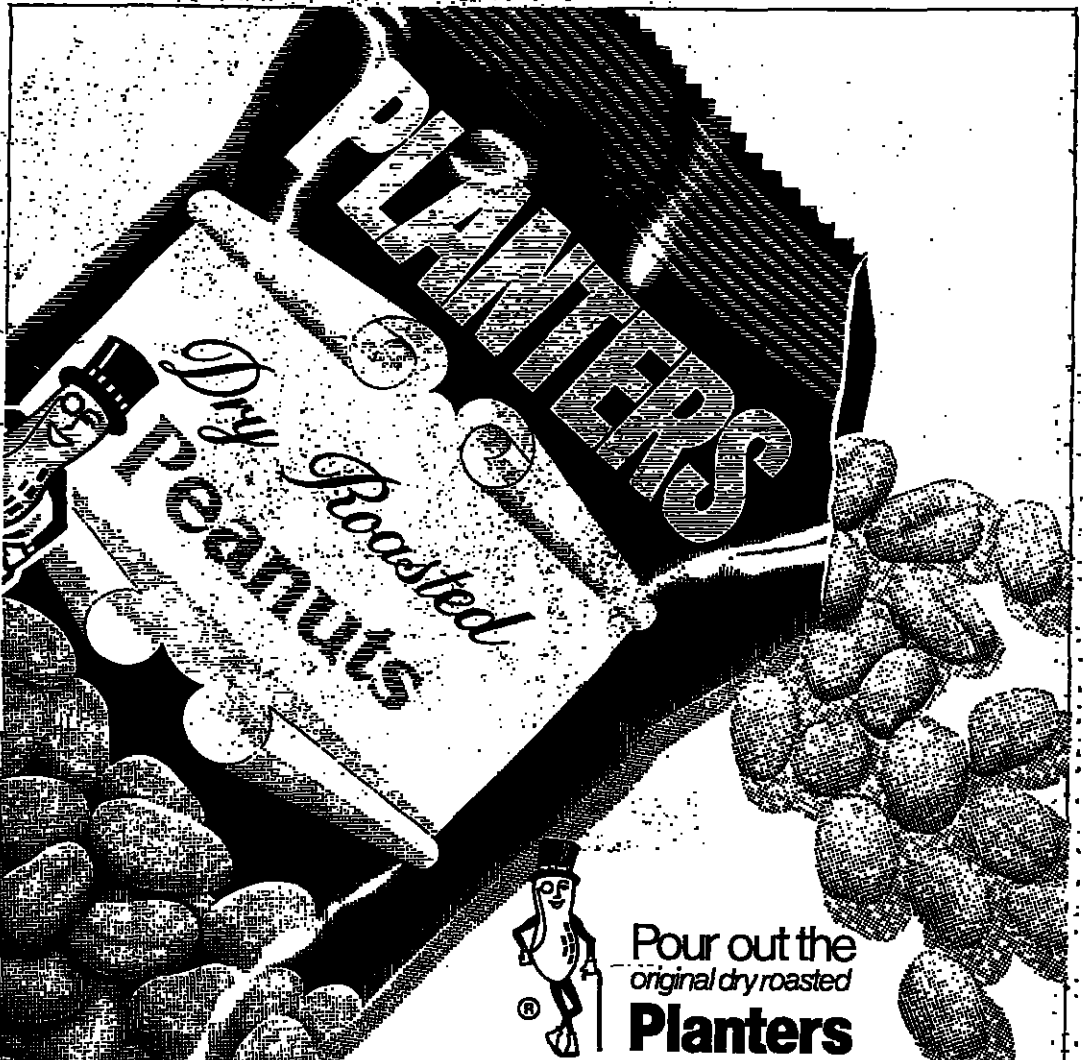
Serious Japanese interest in Middle East politics is relatively

new, dating only from the 1973 oil crisis and Arab embargo. At first, Japan recoiled from the PLO as an ally of the Japanese Sekigun, or Red Army, terrorists who operated out of Beirut. The group pulled off a spectacular plane hijacking in 1977, obtaining a \$6-million Japanese government ransom and release of six members and sympathizers from Tokyo jails. But since then, the Sekigun has been inactive.

Mr. Arafat said in Tokyo that he

regarded the Japanese favorably and as quite different from European powers, who are also dependent on Middle East oil but have been more cautious in dealing with the PLO. The Palestinian leader poured scorn on a reporter who referred to Japan as a Western country. "Western?" he asked, beaming broadly and thrusting forward his fists. "Western?" Japan, he said, "is Oriental from the heart to the top — completely Oriental. Like me, and we are proud of it."

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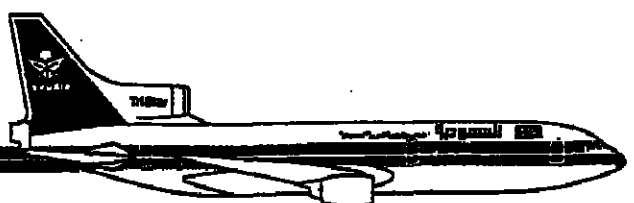
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Nobel Science Prizes Awarded 3 Americans A Swede, a Japanese

From Agency Dispatches

STOCKHOLM — Two Americans and a Swede won the 1981 Nobel Prize in Physics on Monday for work on laser-beam studies of the atom. An American and a Japanese professor shared the Nobel chemistry award for "milestone" theories on chemical reactions.

Prof. Kai Siegbahn, 63, of Sweden's Uppsala University, who continued research that won his father the Nobel prize in 1924, got half of the \$180,000 award in physics. The other half was shared by professors Nicolaas Bloembergen, 60, of Harvard University and Arthur Schawlow, 60, of Stanford University.

The 1981 Nobel Prize in Chemistry was awarded to Roald Hoffmann of Cornell University and Kenichi Fukui of Japan's Kyoto University. They split the \$180,000 prize, awarded by the Swedish Academy of Sciences.

The awards underlined a continued American dominance in the Nobel science categories, particularly by researchers at Harvard.

"The awards to Americans will continue at this rate," Prof. Ingemar Grenthe of Sweden's Royal Institute of Technology said. "In the United States, you have elite universities which pick the best people, offer the best working conditions and can afford the best equipment."

Prof. Bloembergen and Prof. Schawlow were cited by the Swedish Academy of Sciences for their

8th Chess — ne Delayed
3 Days at Karpov's Request

The Associated Press

MERANO, Italy — Soviet titleholder Anatoli Karpov, leading Viktor Korchnoi 3-1 in the world chess championship, postponed the eighth game of the tournament Monday.

The game was rescheduled for Thursday. It was the first postponement called by Mr. Karpov. Mr. Korchnoi has used the option once. Each player may seek a delay three times in the first 24 games.

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contribution to "the development of laser spectroscopy."

Prof. Siegbahn was cited "for his contribution to the development of high-resolution electron spectroscopy."

"It's sort of fun to see a lifetime of work being rewarded," Prof. Bloembergen said Monday in an interview from his home in Lexington, Mass.

Prof. Schawlow said, "I'm sort of wondering whether it was real."

Mr. Hoffmann, 44, was born in Zloczow, Poland, and moved to the United States in 1949, where he became a naturalized citizen in 1955. He was graduated from Columbia University in 1958 and earned his Ph.D. in chemistry from Harvard. He has been associated with Cornell since 1965.

Mr. Fukui, 63, is Japan's first Nobel winner in chemistry. Since 1951 he has been a chemistry professor at Kyoto University, where he received his doctorate, and has specialized in hydrocarbon chemistry.

Mr. Hoffmann's and Mr. Fukui's work aims at theoretically anticipating the course of chemical reactions, members of the awarding faculty said. Their work is based on quantum mechanics — the theory whose starting point is that the smallest building blocks of matter may be regarded both as particles and as waves — which attempts to explain how atoms behave.

To Study Atoms

The laser spectroscopy, developed by Prof. Bloembergen and Prof. Schawlow, is used to study atoms with laser light beams. The spectroscopy is an optical instrument that produces and measures spectral lines — an arrangement of light or other forms of radiation separated according to wavelength, frequency and energy. The lines are useful in chemical analysis, since they reveal the presence of particular elements.

The electron spectroscopy system, largely developed by Prof. Siegbahn, is for the study of electrons expelled from atomic systems by different processes. His father, Manne Siegbahn, was awarded the physics prize for 1924 for discoveries in the field of X-ray spectroscopy.

The award Monday were the last for this year. Other 1981 Nobel laureates were: for medicine, Dr. Roger W. Sperry of the California Institute of Technology, Harvard Prof. David Hubel and Torsten N. Wiesel of Sweden; for economics, James Tobin of Yale University; for peace, the office of the UN High Commissioner for Refugees; for literature Elias Canetti, a Bulgarian-born resident of Britain.



Prof. Nicolaas Bloembergen is kissed by his wife in Lexington, Mass., after learning that he had won the Nobel Physics Prize.



Arthur Schawlow



Kai Siegbahn



Kenichi Fukui



Roald Hoffmann

White House, Baker Said to Agree On Budget Plan With Lower Cuts

By Helen Dewar
Washington Post Service

WASHINGTON — White House officials have reached agreement with Senate Majority Leader Howard H. Baker Jr. of Tennessee on a new budget plan that would cut less in spending and raise more in revenues than President Reagan requested last month, according to sources.

The plan, roughly in line with a strategy developed by Senate Republican leaders last Friday, is aimed at reaching Mr. Reagan's goal of more than \$100 billion in new savings by 1984.

But the sources said Sunday that it falls \$2.5 billion to \$3 billion short of Mr. Reagan's target of \$16 billion in additional savings — on top of \$35 billion already approved by Congress for the 1982 fiscal year, which began Oct. 1.

[David A. Stockman, the White House budget director, said Monday that the administration will wait until Congress comes forth with a "concrete" alternative before changing its own proposal for a new round of budget cuts. The Associated Press reported he labeled as "almost totally inaccurate" reports that he and other top

administration officials had decided Sunday to accept a Senate budget plan.

[Sen. Baker also said Monday that White House and Senate leaders have not reached agreement to aim for fewer budget cuts. Reuters reported. He said he did meet with White House officials Sunday, but denied reports that a new budget agreement had been reached.]

As reportedly recommended by Senate leaders, \$5 billion to \$6 billion would be cut from appropriations, in contrast to the \$10.4 billion that Mr. Reagan recommended. The president had proposed that \$2 billion be cut from spending increases planned for the Pentagon, with the rest to be cut from nonmilitary programs.

Major Difference

The Senate Appropriations Committee chairman, Republican Mark O. Hatfield of Oregon, has proposed a cut of \$4 billion from the military budget, and other Senate sources have said \$3 billion in military cuts are likely.

The major difference between the congressional and administration proposals comes in the area of revenues, with the agreement reported Sunday calling for \$48 billion in new revenues during the

three-year period, or about double what Mr. Reagan proposed.

The president called for \$3 billion in "revenue enhancement," as the administration described the plugging of some tax loopholes, for fiscal 1982. The Senate Finance Committee has also been considering other sources of revenue, such as increased excise taxes on cigarettes and alcoholic beverages.

About \$7 billion to \$8 billion in new revenues would be anticipated for this fiscal year. There reportedly would be no effort to pass another tax bill before Congress recesses at the end of the calendar year.

Instead, the second (and theoretically final) budget resolution for 1982 that Congress is expected to begin drafting this month would anticipate tax increases later in the fiscal year, a task that may prove difficult in a congressional election year.

The compromise — said to have been reached between Sen. Baker, White House chief of staff James A. Baker 3d, presidential counselor Edwin Meese 3d and Mr. Stockman — appeared to reflect congressional anxiety over further heavy budget cuts after the deep cutbacks in domestic spending that Congress approved last summer.

Ancient Itinerary Leads Scholars To Possible Assyrian Capital Site

By Walter Sullivan
New York Times Service

NEW YORK — It was in 1964 that a scholar at Yale, while cataloging thousands of cuneiform tablets, came across a crucial clue: an itinerary of an ancient journey from the southern part of Mesopotamia up the Tigris River to north-west Syria.

That itinerary, plotted on a modern map, has now led archaeologists to the discovery of a site in Syria they believe to be the long-sought capital of a great Assyrian empire that 39 centuries ago may have stretched from the Mediterranean to what is now southwest Iran.

"By the end of the 1979 field season," wrote Dr. Harvey Weiss of Yale in a report just published, "we had managed to expose portions of large temples, each magnificently decorated with facades of mud-brick columns, and in one case columns intricately braided in a manner known from few previously excavated sites."

High Expectations

Beneath these ruins lay the remains of a city enclosed in more than two miles of mud-brick walls 50 feet high and at least 60 feet thick, walls so huge that an army of workers must have been needed to build them. Excavations to even greater depths have revealed layer after layer of remains of human occupation dating back 7,000 years.

Careful excavation is expected to fill in one of the largest gaps in the ancient history of the region. It should show changes in settlement patterns and daily life over 3,000 years. The findings should be "a powerful tool for understanding the origins of a civilization in northern Mesopotamia," according to Mr. Weiss, who headed the group.

The Assyrian empire whose capital was apparently built above this ancient city was ruled by a Semite named Shamshi-Adad. Archaeologists, however, have suspected for some time that an earlier nation of uncertain ethnic roots dominated northern Mesopotamia, rivaling the kingdom of Sumer in the south.

The suspicion grew out of analysis of inscriptions on thousands of tablets from such ancient cities as Babylon and Ur. Names were found that are neither Sumerian nor Semitic. The region of origin is referred to as Subir or Subartu. It is suspected that the city of huge walls beneath the temples of Shamshi-Adad was the capital of that land.

Picture of Life

The first clues to Shamshi-Adad's imperial capital began to emerge on the eve of World War II, when French archaeologists excavated Mari, an ancient city on the Euphrates near what is now the border of Syria and Iraq. In a palace of more than 260 rooms they found 20,000 cuneiform tablets.

Deciphering the tablets has provided a picture of the diplomatic, military and economic life of the city.

Avetik Burnazyan Is Dead at 75; Was Soviet Aide

Reuters

MOSCOW — Lt. Gen. Avetik Burnazyan, 75, a much-decorated official who was a Soviet deputy health minister for 25 years, has died, Tass reported Sunday.

According to his obituary, signed by Defense Minister Dmitri F. Ustinov and other officials, Gen. Burnazyan played an important role in Soviet space medicine. Western reference books list him as the author of works on radiation medicine, suggesting links with the Soviet nuclear weapons program.

Kavignar Kannadasan

CHICAGO (AP) — Kavignar Kannadasan, 54, poet laureate of India's Tamil Nadu state and a noted poet and lyricist in the Tamil language, died Saturday at a hospital here, where he had been under treatment for a lung illness. Dr. S.P. Arunagani, a friend of Mr. Kannadasan, said Mr. Kannadasan wrote more than 6,000 poems and 150 volumes of poetry and in 1971 transcribed the Bible into verse.

Stanley Clements

LOS ANGELES (UPI) — Stanley Clements, 55, who played the street kid reformed by Bing Crosby in the film "Going My Way," died Friday of emphysema. Clements also played toughs or villains in such films as "Sweet Rosie O'Grady," "Sally O'Rourke" and "The Babe Ruth Story."

U.S. Russian Orthodox Church Plans Canonization of Czar Slain in 1918

The Associated Press

NEW YORK — Czar Nicholas II and 8,000 other victims of the Russian Revolution will be canonized by a branch of the Russian Orthodox Church as martyred saints, church officials here say. Nicholas, the last czar of Russia, his wife, Alexandra, and their children, along with the others marked for canonization, were slain by Communists in 1918.

"Never in the history of the church have so many people been canonized, because at no time have there been so many Christian martyrs," said Bishop Gregory, secretary to the synod of bishops of the Russian Orthodox Church Outside Russia.

Roman persecution of early Christians was periodic, while the Soviet Union has oppressed Christians for 64 years, he said Saturday.

Bishop Gregory said the list of martyrs, compiled at a church monastery in upstate New York, was based in part on information smuggled out of the Soviet Union. A complete list will be released Thursday, he said.

In an interview at the church's headquarters, Bishop Gregory said the Oct. 31 canonization ceremony will start with a special service written for the canonization. At a dinner, accounts of some of the people's lives will be read.

It will be the largest such ceremony since the church-in-exile was established in 1920, after many church leaders fled from Russia.

Soviet Nuclear Test Blast

Reuters

THE HAGUE — The Dutch Meteorological Institute said Monday it recorded an underground nuclear explosion Sunday at the Soviet testing grounds at Semipalatinsk in western Siberia.

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Indians Discovered the Joys of Abalone Long Before It Became a Symbol of Protest

WHEN demonstrators protesting the building of a nuclear plant in Diablo Canyon in California did so under the name of the Abalone Alliance, they misused the role of this deliciously flavored animal. It is true that these mollusks were wiped out in the Diablo Canyon area when preliminary work started, but the abalone was not then demonstrating incompatibility with nuclear power; the plant had not even been built. The abalone waters had been polluted by the accidental discharge into the sea of an abnormal amount of ordinary construction wastes. The result would have been the same if the future building had been planned as a shoe factory or a luxury hotel. It happened to be a nuclear plant, so the abalone has now become a symbol of resistance to the development of nuclear power.

The abalone does seem to be sensitive to pollution of one sort or another, and one may wonder whether it is not exposed to another danger by the circumstance that it shares the habitat of offshore California oil wells. We do not

know, yet, whether an oil spill would be fatal to them, but it is hardly likely that it would improve their flavor.

Vulnerable by Nature

The abalone is vulnerable by nature, because it grows slowly. The female of the red abalone takes six years to reach spawning age, when it should be 4 inches in diameter; it will reach 7 at the age of 10 to 12, with a probable theoretical limit of 9 inches; but very few abalones ever attain full growth in these days of intensive though regulated fishing. The abalone tries to compensate for slow growth by prodigious reproductivity. In its first spawning year it will release 100,000 ova, and at 7 inches it may release as many as 2 million during its six-week season, the latter half of February and all of March; but the wastage is enormous. Most of the tiny organisms are eaten while they are still part of the plankton. Others drift haphazardly through the water, and if, by chance, they meet a girl there are more abalones, but if not, not.

By a coincidence of names, the two places in the Occident which make something of a cult of the abalone are both named the Channel Islands; but one of them is in the English Channel and the other off the coast of Southern California (where the mainland as well as the islands is devoted to this mollusk).

Many writers believe that Californians did not start to eat abalone until it was brought to their attention by Asians. James Trager said that Californians despised it as a coarse and common food until Japanese immigrants opened their eyes to its merits. A majority of his fellows prefer to credit the Chinese, who were there earlier. Yet the late Esell Gibbons implied that Americans who reached California early discovered this food without alien help.

"When the Forty-Niners arrived," he wrote, "they found the abalone in prodigious abundance; one could gather bushels of them at every low tide. . . . The succeeding waves of people arriving from the Eastern states loved abalone steak at the first taste, so

fishing for them and preparing the steaks for market was soon a thriving industry."

If they did not discover the abalone on their own, Californians could have learned about it without waiting for the Chinese or Japanese; Pacific Coast Indians had been eating it since prehistoric times.

The population of the abalone among prehistoric Indians is attested by a kitchen midden found on Santa Catalina island, and which has been dated at 3,500 to 4,000 B.C. Twenty-two different species of shellfish have been identified there, but the overwhelming majority are abalones and mussels. In the lowest, and hence oldest, levels, abalone shells outnumber mussel shells 4 to 1; in the upper levels this proportion is exactly reversed. Archaeologists have deduced from this that abalones were already being overfished and that the Indians had been obliged to fall back on mussels for lack of abalones.

This is not necessarily a foregone conclusion. It is unlikely that the population along this coast in

4,000 B.C. was large enough to deplete abalones or anything else. One might argue that the abalone must have been comparatively rare, since among the prestige-conscious Indians of the Pacific Northwest only tribal chiefs were permitted to wear ornaments made of abalone shells; but this could also be explained by the fact that abalone shells are more decorative than mussel shells.

It is probably reasonable to assume that when more mussels than abalones were being eaten, it was because there were more mussels to eat; but this could have come about from other reasons than overfishing. Mussels grow faster than abalones; over a period of a thousand years or so, they might easily have caught up to, and then passed, abalones in number. Or the Pacific Indians may have started to eat mussels more commonly when they found out something the Atlantic Indians never learned, which discouraged the latter from eating mussels at all—that the occasional "red tides" that make mussels poisonous are of short duration and predictable, for instance by the increase of phosphorescence in the sea. Or the sea otter population may have increased. Sea otters are fond of abalones, and have teeth strong enough to crush their shells. Today the sea otter is no longer a menace; it is having all it can do to escape extinction itself. The chief predator of the abalone now is man.

Steaks and Stews

Although shellfish such as the oyster and the clam are eaten raw throughout the world, the Japanese seem to be the only ones who eat abalone in this fashion. The Chinese come close when they barely blanch thin slices of abalone and serve them with other delicacies in a cold mixed platter. Elsewhere they are cooked, either very briefly in the form of "steaks," or very lengthily in stews, when the delicate flavor of the abalone is apt to disappear, submerged in that of the other ingredients.

A very special example of this sort of dish is described in "Lang's Compendium of Culinary Non-sense and Trivia," by the Hungarian-American food authority George Lang. Lang says abalone stews should cook at least 12 hours. It is a Chinese creation called Buddha Jumped Over the Fence. (It has several other names, and several explanations for them, but Lang is most enchanted by this one, and so am I). According to legend, a family which lived next door to Buddha hit upon the idea of combining "the finest foodstuffs the earth, the sky, and the oceans could provide and very slowly steamed it for days in their garden." The cooking odors were so maddeningly delicious that Buddha jumped over the fence and joined the feast. One of the ingred-

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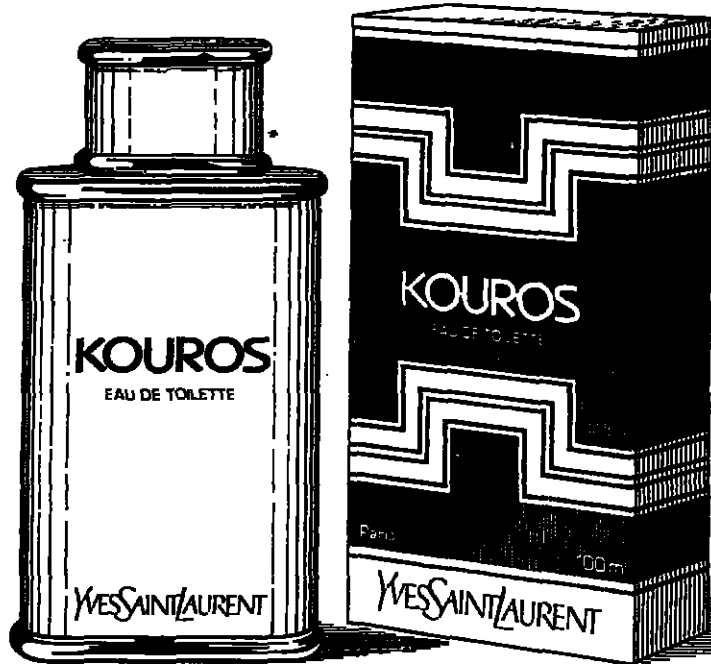
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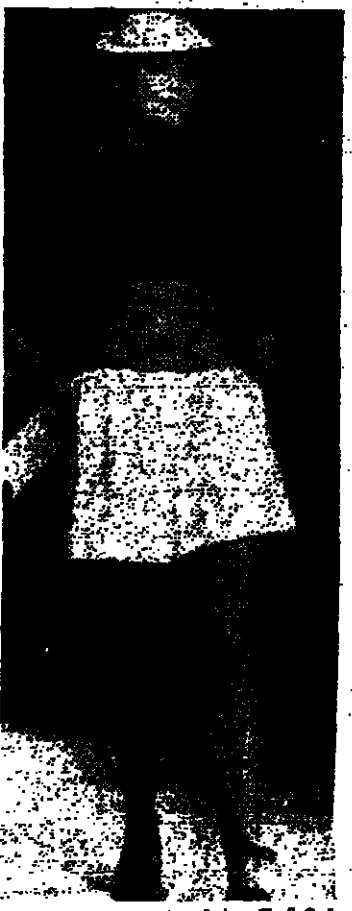
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Givenchy: Short, Colorful, With Sophisticated Gowns

By Hebe Dorsey
International Herald Tribune
PARIS—Hubert de Givenchy is the Henry Higgins of fashion, for he can truly make a lady out of



Chloé shorts with wide belt.

a flower girl. His is a world of controlled, precise and tasteful tailoring, so it is little wonder that it appeals to some of the richest, best-groomed, most private women in the world.

Because of that reserve, his clothes have often been dismissed in the past as demure, if not downright stuffy. But not this time. In the middle of the fashion ready-to-wear week here, Givenchy, whose collection was wildly applauded, demonstrated Monday that a woman can be young, with it, even sexy, and still stay elegant. No kinkiness here and no shadow of the guillotine either, as in many of the weekend's collections. From the zebra-printed swimsuits (elegant too with their little capes or mini-skirts) to the finale, with some of the best evening gowns in Paris, Givenchy's clothes were pure and perfect.

Lemon Silhouette

The most important news is that gentlemanly Givenchy has endorsed not only a short but a very short look. As in the excellent Chloé collection Sunday, the short flared culottes, which look like little skirts, are emerging as one of the most important looks out of Paris. But while at Chloé's, they are made of crepe de Chine which gives them a full, flippant swirl, at Givenchy's they tend to be more constructed, with all kinds of little darts around the waist.

Even when he shows knits or impeccable, braid-trimmed suits, Givenchy keeps skirts, many of which are leather, slim and short and well above the knees. As a result, and for proportion's sake, jackets are cropped too and the whole silhouette becomes lighter and leaner. But shoulders remain strong, with a slight tuck in the 40s in deep-decolleté sheaths, a la Joan Crawford.

Color is the second most important element in the Paris collections. Although Givenchy is more subdued than most and handles navy blue best, color bursts out in bouquets of yellow, red and blue, with gold accessories. Prints are part of Givenchy's signature, so much so that you can often tell his dresses from across a room. He once had little red hearts; this season he is more into geometric designs or big pansies, some white, some red, but always on a black background.

Another strong look, which has also come up in Ungaro's collection, is the short tent dress, a version of the chemise. Easy to wear and easy to sell, the comfortable, mostly silk, chemises are now cropped well above the knee. At Ungaro, where they were finished with a hem ruffle, they looked like so many butterflies. At Givenchy, where the prettiest was of plaid taffeta, they are cut like painters' smocks, with crisp white collars and cuffs and striking black accents.

Givenchy's evening dresses should be a bonanza for women who still want the couture look but not the prices. The assortment, which included many moods from the frilly, romantic chiffon florals to the more sophisticated mermaids, with a bow on the derrière and a slit from there down. Well known in his own country, in the United States people stop the handsome Givenchy in the streets for autographs. It leads one to think that he must have had the U.S. first lady in mind when he designed a gold-leaf printed evening gown in that famous bright tone now known as Nancy red.

Chanel's Reassuring Taste

The same kind of reassuring good taste was part of Chanel's success Monday, which was very much Chanel again, courtesy of Philippe Guibourge. Since last season, Guibourge has added a new line of leather jackets, all cut along that famous cardigan's lines and worn over red or navy skirts—but the whole look can also be sold as



Givenchy's ultra-short culottes (left), Valentino's shorts.

separates. Among the new accessories are strands of big pearls, not too unlike the real ones that were so dear to the late Chanel's heart.

All that and a touch of Italian brio helped put Paris fashions back on an even keel. The best known of Italian designers, Valentino, who is based in Rome but shows in Paris, was here in full form with feminine clothes that have tremendous sales value. Say what you want about Valentino, at least he makes no pretense. He designs rich clothes for rich women. He also knows how to round them up. His celebrity-studded front row included Marie-Hélène de Rothschild, actress Maria Bello and Hélène Rochas. Claude and Xavier Lalanne represented the art world, together with sculptor Sophie Vari escorted by painter Boto, whose satirical paintings of the last couture collections for French Vogue were a riot.

Valentino's greatest feat is to give the luxury treatment to difficult shapes, all those shorts, bloomers and pantaloons which seem more suited to a young, moneyless crowd. He did it by cutting them on a curve, like upgraded, fluffy boxer shorts. For evening, the bloomers became fluffed taffeta Chinese lanterns, puffed all the way around and worn with strapless tops. The best ones were black with big, layered pink organza collars. Marvin Traub, president of Bloomingdale's, was worried that women

wouldn't be able to sit down in these concoctions but his buyer had no such worries. She knows that women who buy this kind of dress never sit. They just dance.

Valentino's panache and sense of the spectacular was also clearly shown with jackets and raincoats in big checkerboard patterns with harlequin overtones, as well as in his accessories, which included lace, pearly stockings that must cost an eye and a tooth.

Known for colorful, glamorous sun-and-sea fashions, Enrico Coveri, who works in Florence but shows in Paris, had a mild, but sincere triumph as he paraded his happy models in cheerful sailors' uniforms and sequined swim wear. "One of the most underrated talents around," is the way Bernie Ozer, vice president of Associated Merchandising Corp., sees Coveri. It is true that since he opened a boutique in Saint-Tropez last summer, Coveri's sequined swimsuits and T-shirts have been widely copied.

More sedate Italian Cerutti (who functions from Paris, where he has shops) had a collection which drew its strength from classics, revamped and upgraded by new shapes and quality materials. One example was his daytime suit, with striped beige and white shorts and a white cuffed, beige leather jacket. On the French sportsman scene, Jean-Charles de Castelbajac came up with interesting ideas, including brightly colored Superman capes.

What can you say about Dior except that that magic name still has a lot of mileage left into it. Dior also makes wonderful perfumes, wonderful stockings and the best lingerie in the world. Baby Dior is irresistible. Nevertheless, at their collection Monday, the best part was the marvelous new luggage, with the famous initials, CD, terribly discreet.

Figures Found on Fiji

The Associated Press

SUVA, Fiji—Fragments of clay figures 3,000 to 3,500 years old have been discovered on the site of a resort being built at Naitang Island, 60 miles (96 kilometers) northeast of Suva. The fragments include a skull-like human face and parts of animals.

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(Continued on Page 10)

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W. German Outlay Dip Milder Than Expected

FRANKFURT — West German industrial investment in first half 1981 did not decline as sharply as feared, despite falling profitability and an uncertain sales outlook, the Bundesbank said Monday in its latest monthly report.

But it said the West German federal government deficit continued to grow strongly in September, and warned that continuing inflationary pressures and fluctuations in international interest rates mean the shifts in monetary policy must be used cautiously, despite a somewhat relaxed position in the country's foreign trade and balance of payments.

Meanwhile, Finance Minister Hans Matthöfer said Monday that the federal government's target of a net 26.5 billion DM for 1982.

The Bundesbank said total gross investment, in fixed assets and inventories, fell in the first six months to 95.5 billion DM below the mark, 6.5 to 7 billion DM below the year ago level, it said, noting that a relatively sharp decline in investment had been feared in some financial circles.

External Financing
While first half 1981 investment in fixed assets grew 3.5 percent from the 1980 period to 90 billion DM, investment in inventories fell to 5 billion DM from 15 billion DM, the central bank said.

Companies also relied more heavily on external financing, as opposed to internally generated funds, with financing abroad almost doubling to 26.1 billion DM, while financing within West Germany was little changed at 20 billion DM.

The ability of companies to finance their own investment was hampered by revenues falling more sharply than expenditure and tax payments. Companies' internal resources fell 7.6 percent from the 1980 period to 76.6 billion DM, the Bundesbank said.

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated

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1st Half	1981	1980	
Revenue	963.1	845.5	
Profits	1.8	1.5	
Per Share	0.094	0.089	
Canada			
Canada Packers			
1st Half	1981	1980	
Revenue	11.5	13.1	
Profits	1.9	2.1	
Per Share	1.92	2.19	
Sweden			
Svenska Papper			
9 months	1981	1980	
Revenue	9,540	8,620	
Profits	412.0	596.0	
United States			
Air Products & Chemicals			
4th Quarter	1981	1980	
Revenue	403.0	367.3	
Profits	28.3	25.3	
Per Share	3.01	2.82	
BankAmerica			
3rd Quarter	1981	1980	
Revenue	118.30	121.30	
Profits	0.80	1.30	
Per Share	0.80	1.30	
Barclings Northern			
3rd Quarter	1981	1980	
Revenue	1,270	1,040	
Profits	41.5	40.0	
Per Share	1.43	1.43	
Dana			
3rd Quarter	1981	1980	
Revenue	673.0	548.0	
Profits	30.9	16.0	
Per Share	0.87	0.29	
Commonwealth Edison			
3rd Quarter	1981	1980	
Revenue	1,050	980.0	
Profits	145.28	118.45	
Per Share	1.40	1.21	
Emhart			
3rd Quarter	1981	1980	
Revenue	401.4	409.9	
Profits	19.8	11.1	
Per Share	1.60	0.89	
French Jobless Rate Falls			
PARIS — French unemployment fell by 1.3 percent on a seasonally adjusted basis to 1.81 million at the end of September, the Labor Ministry said Monday. The figure is down from a revised 1.83 million in August but 25.4 percent above the 1.44 million a year earlier.			

U.S. Funds Draw Support Despite Low Rate of Return

By Kenneth B. Noble
New York Times Service

NEW YORK — Money market funds that invest only in Treasury bills and other government securities are growing much faster than those that invest primarily in corporate securities, investment figures show.

Analysts in explaining the preference for government debt, suggest that investors are concerned that a weak economy could adversely affect corporate profits and thus the safety of corporate securities.

These fears apparently have been strong enough to offset the generally higher yields from the so-called general purpose funds, which in addition to buying government securities, are permitted to invest in such financial instruments as commercial paper, thrift institution obligations, certificates of deposit in foreign or domestic banks and Eurodollar time deposits.

The latest 30-day average yield for the government-only funds was 14.69 percent, compared with 16.29 percent for general purpose funds, according to Donoghue's Money Fund Report for Oct. 14.

People are really getting very nervous about the quality of their assets," said Edward Yardeni, chief economist at E.F. Hutton & Co. "Many of them got hurt in the stock and bond markets already. So they figure that, instead of being greedy and trying to get 17 and 18 percent, maybe they'll settle for 15 percent just to improve the quality of their assets."

Currently there are 20 so-called government funds, twice as many as a year ago, accounting for about 6 percent of the total assets of money market funds generally available to individuals.

Assets of the government funds, which totaled \$3 billion at the beginning of this year,

had grown to \$9.3 billion by Oct. 14, said William Donoghue, publisher of the Money Fund Report. During the same period, all other money market funds available to individuals grew to \$126.1 billion from \$57.9 billion.

The trend toward government-backed securities, some analysts say, could eventually have wide implications for companies that borrow in the commercial-paper market.

"Investing in a money fund that buys only government securities allows the government in a sense to elbow its way to the head of the line of potential borrowers, pushing many companies, particularly those with lesser credit standing, to the back of the line and possibly cutting them off from available credit and sharply increasing the threat of bankruptcy," said David M. Jones, an economist with Aubrey G. Lanston & Co.

"Worst Case" Scenario
In the "worst case" scenario, some analysts say, a scramble for credit and ensuing bankruptcies could place a fair amount of commercial paper in jeopardy. Commercial paper generally accounts for about half the investments of all money market funds, although they tend to buy the highest quality paper.

If the securities of some corporations should fail, it could cause a rush on money market funds and force the money market funds to sell securities to cover redemptions.

Other analysts point out, however, that investors have traditionally tended to gravitate toward government-backed securities during times of economic uncertainty. But fund managers say risks exist in the portfolios of all kinds of money funds when interest rates rise, and the only way fund managers can protect against this is to emphasize short-term maturities.

Britain Moves to Denationalize Energy

Steven Rarner
New York Times Service

LONDON — The British government on Monday announced expanded plans to reduce the role of state-owned companies in the energy business, in keeping with Prime Minister Margaret Thatcher's conservative economic philosophy.

The most important new development was a decision to break the monopoly of the British Gas Corp. in the supply of natural gas, a decision which apparently stemmed from recent difficulties in negotiating a North Sea gas pipeline plan with private companies.

In addition, the government reiterated that it would sell a 51-percent interest in the exploration and production arms of the British National Oil Corp. plans that had appeared stalled. The sale of a variety of energy properties is expected to bring billions of pounds into the British Treasury.

The announcement was considered an important reaffirmation of Mrs. Thatcher's intentions. Although the government never publicly retweeted on its plans to increase the private share of the energy sector, close observers had come to detect signs of cold feet at the Treasury over the prospect of selling off the government's most profitable assets.

Nigel Lawson, the newly-appointed energy secretary, told the House of Commons on his first day in session after the summer break that the package was "without doubt, the biggest program of privatization ever to come before Parliament," contending that the measures would bring "long overdue competition, where it matters most."

All the Gas

At the moment, British Gas, which is wholly-owned by the government, delivers and markets all of Britain's natural gas. A month ago, plans for a North Sea gas pipeline were dropped when the oil companies and British Gas could not agree on the price to be paid for the supplies.

"The British Gas monopoly was the key factor in the whole problem," said Peter Lilley, a partner at W. Greenwell & Co., a London stock brokerage firm. "It enabled the nationalized corporation to get involved where it ought not to get involved."

Mr. Lilley contended that despite being profitable, the company is highly inefficient. Last year, average pay per employee rose 31 percent.

"These outdated privileges have acted as a serious disincentive to the exploration and development of gas supplies on the U.K. continental shelf, with the result that

British industry has not had all the gas it needs," said Mr. Lawson.

Less of a surprise was the decision about BNO, which effectively sets North Sea oil prices for all producers a role that would not be affected. Earlier this year, the government introduced a bill in Parliament to authorize what has already been dubbed the "Sale of the Century." Time did not permit legislative action in the last session, however.

Included in the BNO sale would be a 51-percent stake in the company's North Sea oil fields, which now totals 110,000 barrels a day. The British government's royalty oil, equal to one-eighth of total production, would not be affected. Experts predicted that the actual sale of BNO stock would occur in about a year.

British Gas' offshore oil interests, estimated to total 250 million barrels with a current market value of \$4.7 billion, will also be sold, the government said. Earlier this month, the government ordered

British Gas to sell off its 50-percent stake in the Wyth Farm offshore oil field, Britain's largest.

The package is likely to be a hot political issue this fall, as the required legislation is taken up. With a comfortable majority behind Mrs. Thatcher, passage is considered virtually certain.

For the Social Democrats, David Owen termed Mr. Lawson's statement "purely party political dogma." Peter Hardy, a Labor MP, called the plan a "sweeping betrayal of the national interest."

Late Rally Cuts Loss on Wall Street

From Agency Dispatches

NEW YORK — President Reagan's statement that the economy is in a "mild recession" and a large rise in money supply reported Friday sent prices on the New York Stock Exchange falling Monday.

However, analysts said the decline was stemmed late in the day by the 1.7-percent decline in housing starts last month, considerably better than the 10.8-percent decline in August starts. September's monthly rate was the third-lowest on record and left starts 38.1 percent below the year-earlier level.

The Dow Jones industrial average had dropped more than seven points by midday but recouped some of its losses during the afternoon to finish off about 4.56 at 847.13. Declines led advances by around 900 to 600 and volume rose to 41 million shares from 37.8 million Friday.

The decline on Wall Street was widely expected following the \$5.6-billion rise in the M1-B measure of the money supply, which analysts said increased concerns that further declines in interest rates will be temporarily stalled. Mr. Reagan's first public recognition that a recession may already have started further fueled the decline, analysts said.

Michael Metz of Oppenheimer and Co. said, however, that stock prices will probably not move much lower at this point but rather trade in a narrow range until investors receive further indications on the direction of the economy and interest rates.

In company news, Amcon said it had purchased another 759,200 shares of Newmont Mining at \$64 each from financial institutions outside of the United States. The Consolidated Gold Fields unit said it now holds 2,960,100 shares, or 11.4 percent of Newmont stock.

Newmont Mining lost 3 1/2 points on the NYSE to 57 1/2 after a federal district judge declined to restrain Amcon's purchases and suggested instead that both sides attempt to work out a compromise.

In Sunnyvale, Calif., Amdahl

U.S. at 11-Month Low in Factory Capacity

The Associated Press

WASHINGTON — U.S. manufacturers operated at 78.5 percent of capacity in September, the lowest rate since October, 1980, the Federal Reserve Board reported Monday.

The decline from August's 79.3 percent was the second monthly drop in a row and appeared to be another indicator of recession.

On the trading floor, Airline issues were particularly strong and the Dow Jones transportation average rose one point. Analysts attributed the gains to indications that the impact of the air traffic controllers strike is waning.

Northrop gained 2 1/2 to 45 1/2 after being named the primary contractor for a multi-billion dollar Air Force contract for the "Stealth" bomber.

Apple, which specializes in home computers, earned \$39.4 million for 1981 compared with \$11.7

million the previous year. Net income in the fourth quarter increased 211 percent to \$11 million from the year ago quarter.

In Detroit, Chrysler introduced a rebate program ranging from \$300 to \$1,000, designed to increase orders from dealers and spur retail activity. Automotive News said. The publication said Chrysler's fourth-quarter orders have not been high enough to sustain production.

It signed a new \$370-million multicurrency unsecured credit agreement with 12 international banks including Bank of America as agent. The company said the new credit, which replaces a \$260-million line expiring this year, gives it resources to introduce its new 580 computer product line, plus providing substantial financial reserve capacity.

In Cupertino, Calif., Apple Computer reported Monday that earnings increased 237 percent during the 1981 fiscal year from the previous year. Sales jumped 186 percent to \$334.8 million.

Apple, which specializes in home computers, earned \$39.4 million for 1981 compared with \$11.7

Japanese Trade Delegation Rejects European Criticism

By Roger Cohen
Reuters

BRUSSELS — Japanese industrialists Monday forcefully rejected criticism of Japan's trade policies by Western European business leaders and accused them of damaging relations between Japan and the Common Market.

A Japanese government-sponsored industry delegation touring Western Europe issued a statement denouncing a declaration by a European industry federation as potentially "detrimental to the development of economic relations between Japan and Europe." It also accused EEC companies of complacency.

The Japanese statement was a response to criticism from the EEC industry federation, UNICE, whose president, Guido Carli, told the delegation here 10 days ago that Tokyo's trade policies gravely threatened free trade.

Kumihiko Saito, deputy chief of the Japanese mission to the EEC, said the UNICE declaration "did not make the mission at all happy." In private, diplomats said the Japanese government was intensely angered by it.

UNICE had accused Japan of erecting tariff barriers to European imports and paying mere lip service to the rules of the General

Agreement on Tariffs and Trade (GATT).

Mr. Saito said that Japan now accepted that its strong economic position meant it had to make concessions to help recession-hit EEC industries. "But if somebody implies that Japan has gained its economic advantage through unfair methods, we cannot accept that.... Japan is one of the countries which adhere most faithfully to GATT."

The industry delegation's tour of Europe ends later this week. Mr. Saito said that major imports by Japan of strategic metals and aircraft could be imminent. But he added that response from European industries to an EEC-Japan trade fair, due to be held in Tokyo next month, had been disappointing.

Sharp Market Drop Continues in Tokyo
TOKYO — Share prices fell sharply Monday for the third consecutive trading day in Tokyo, and the market average lost 154.77 points to close at 7,076.65, dealers said.

This followed a 121.07 point drop Friday and a 141.64 decline Thursday.

CURRENCY RATES

Interbank exchange rates for Oct. 19, 1981, excluding bank service charges.

	\$	£	D.M.	F.F.	L.F.	Sfr.	B.P.	R.P.	D.R.
Amsterdam	2.48	4.54	118.35	4.62	0.997	—	4.32	13.67	34.28
Bremen (a)	37.46	49.71	16.74	4.675	2.148	13.185	—	20.915	52.99
Frankfurt	2.23	4.11	—	—	—	—	—	—	—
London (b)	1.828	—	1.108	10.205	2.1725	4.545	46.885	3.431	12.263
Milano	1.7035	2.1079	33.24	2.123	—	48.21	31.798	26.49	146.53
New York	1.328	1.2035	0.602	1.784	—	1.002	0.004	0.004	95.86
Paris	6.4975	10.205	39.80	—	—	4.755	22.23	14.982	70.4
Zurich	1.897	3.475	13.075	30.305	0.157	7.675	4.91	—	26.082
SCU	1.894	0.921	2.404	1.110	1.2943	2.676	40.684	2.845	7.237

(a) Commercial franc. (b) Amounts needed to buy one pound. (*) Units of 100. (d) Units of 1,000.

Other currency rates available on request.

Alkeni Investment Management

Postfach 578, D-2202 Zolde, Switzerland
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Portfolio Strategy

A list of recommended stocks.

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Debt, Deficits Seen to Slow Latin Growth

By Barbara Crossen
New York Times Service

WASHINGTON — The economies of Latin America, emerging from a decade of substantial growth, are beginning to see their gains eroded by large trade deficits and mushrooming foreign debts, according to a report published Monday.

The 1980 report on Economic and Social Progress in Latin America, prepared by the Washington-based Inter-American Development Bank, suggests that the nations of Central and South America will be increasingly reliant on international lending institutions and economic aid programs.

This conclusion comes at a time when the Reagan administration has been showing little enthusiasm for growth in the work of international development banks, and has indicated a preference in its own foreign aid legislation for countries where U.S. security interests are thought to be best served.

The report portrays a region that has become a victim of an international trade slowdown and other economic forces outside its control, and appears, coincidentally, just before the meeting in Cancun, Mexico, this week on the economic needs of the Third World.

The report on the Latin economies makes these points:

- Though the Latin American economies have expanded at a much more rapid rate than those of the industrialized nations over the last two decades, the gap in per capita product between the Latin American and the industrialized nations — the gross national product in relation to the size of the population — has widened.

- Manufacturing growth has dropped from 7.2 percent in 1979 to 4.6 percent in 1980, a lower figure than all but two of those recorded in the 1970s. Brazil, Mexico and Argentina continue to account for the largest share of manufacturing output.

- The region, with its agricultural growth rate of 2.9 percent almost totally offset by population growth, is turning increasingly to imported food.

- Oil production in Latin America — led by Mexico — grew by 10 percent in 1980, faster than that of any other region of the world. Latin America now accounts for 9.8 percent of the world's petroleum output, up from 7.7 percent in 1977.

- Investment in the region, strong through the 1970s, grew by another 8.9 percent in 1980.

- Population growth is three times that of the industrialized countries.
- The increase in the number of women in the Latin American work force has been substantial.

The Inter-American Development Bank, relying in its report on statistical evidence produced by the 24 member-countries included in the study, notes that Latin America continues to outpace other parts of the developing world in almost all facets of economic life.

However, the report says that the encouraging developments of the last 10 or 20 years are threatened by international economic trends and market forces.

And it says it is imperative for countries in the region "to have external markets that will enable them to revitalize their exports and to obtain external financial resources consistent with their economic capacity and needs."

Britain Appears to Aim Pound at EMS

By Laura Wallace
AP-Dow Jones

LONDON — The Bank of England last month nudged interest rates higher to stop the pound's slide, despite the British government's avowal of a hands-off approach to exchange markets.

Not to have acted, said Gordon Richardson, the central bank governor, "would have risked provoking a quite unacceptable degree of depreciation" of the pound that would have worsened British inflation.

The rate rise succeeded in moving the pound up to about \$1.90 from \$1.77 before the move. The pound has since fallen back to about \$1.83.

But the move also signaled that "the government has abandoned any pretense it may have had that it didn't care about the exchange rate," said David Ashby, chief economist at Grindlays Bank.

Wider Implications

Although there may not be an exact target, he said, the central bank probably has a desired band based on a weighted average of the value of the pound against the currencies of Britain's major trading partners.

Analysts said Britain's apparent willingness to keep the pound in a target range means the government has taken an important step toward formally joining the European Monetary System.

Prime Minister Margaret Thatcher may make the move as a pro-European gesture during Britain's six-month chairmanship of the EEC council, which ends Dec. 31, analysts suggested. According to Mr. Ashby, it is "quite likely that Britain will join before the end of the year."

Roger Nightingale, an economist at the broker-

age house Hoare Govett, said there is "more and more chance of us going in, especially if Europe thinks it's important." But while the Bank of England and foreign office are thought to be sympathetic to the idea, many senior Treasury officials are not.

In the past, the government did not appear to be interested in the pound's trading level and instead put its emphasis on hitting money supply targets. But that is harder to do now, analysts said.

Impact of Strike

A lengthy civil service dispute has badly distorted money supply figures, which may persist for months. Also, money supply definitions will be changed next month, making direct comparisons impossible.

And, because a weaker pound would make it tougher to curb inflation — the Conservative government's priority — Britain has had to bolster the currency.

Analysts agree that the crucial influence on the pound in coming months will be the trend of U.S. interest rates.

If U.S. rates rise, David Morrison, an economist at the London stockbroker Simon & Coates, predicted the pound may ease to between \$1.75 and \$1.80 by the end of the year. But after that, he said, the U.S. pressure should diminish and the pound should slowly recover to more than \$2 during 1982.

What worries Mr. Nightingale is that the government may accede to political pressure to save industry from further interest rate rises. "The crucial question," he said, "is whether the authorities are talking tough and really acting so."

West Germany Scales Down Synfuel Plans

By David Edwards

BONN — West Germany is scaling down plans to turn coal into gas and liquid fuel, with its Cabinet likely to decide this week to subsidize only three demonstration plants instead of the 14 originally considered, informed sources said Monday.

Budget problems and the high cost of West German coal are partly responsible, but declining oil prices are a big factor. Several governments are re-examining energy programs conceived when oil prices appeared likely to rise indefinitely.

When the West German government announced the synfuel program in January last year, it said construction of 14 plants would cost 13 billion Deutsche marks.

It now has decided to allocate only 1 billion DM for the program over the next four years.

The government says a more modest program will be sufficient to develop a viable alternative energy source in case oil or gas prices take off again.

3 Plants

The Ministry of Research and Technology now recommends three gasification plants, costing between 800 million and 1.5 billion DM each, to go into operation between 1984 and 1987.

The firms favored by the ministry — Klockner, Rheinbraun and Ruhrkohle/Ruhrchemie — want subsidies to cover 40 to 60 percent of costs, more than the Economics Ministry will offer, the sources said. But if terms are agreed, building of the first plant should start next spring.

Combined gas output of the three plants would be about 3.6 billion cubic meters a year, far below annual West German demand of around 60 billion cubic meters.

Meanwhile, a government decision on building more costly plants to make liquid fuel is unlikely before the second half of next year, the sources said.

The government hopes, however, that companies will in time develop large export markets for

German coal-conversion technology. The challenge is to provide modern, more efficient versions of old basic processes — town gas has been made from coal since the 19th century, and Germany made 5 million metric tons a year of liquid fuel from gas during World War II.

Oil accounts for 48 percent of West German energy needs, but experts believe the country will never build more than a few full-scale liquefaction plants, because of coal-supply problems.

More than 80 percent of domestic brown coal goes into electricity generation, and the high cost of

mining German hard coal has driven its price to 50 percent above world levels.

Rather than import coal to feed liquefaction plants, firms will be encouraged to build plants along side coal deposits abroad and import the liquid fuel.

A joint study is being made with the Australian government to convert 6 million to 7 million metric tons a year of coal into 3 million tons of liquid fuel for shipment to West Germany.

A similar liquefaction project involving West Germany, the United States and Japan was recently canceled on financial grounds.

The method is particularly suited for plants to be located in rapidly growing areas where the infrastructure and skilled labor for conventional construction are stretched thin, a common problem in many developing countries. The main disadvantage is that the permanent mooring site of the plant must be a river or protected coastal area. In addition, the purchaser may have to deal with construction companies and unions at the destination site that resent lost employment opportunities.

The plant looks like a floating space launching pad. It will produce 120,000 metric tons of polyethylene a year, or almost double that of a nearby conventionally built plant.

Amazon River. Since then, the Japanese company has built a power plant for Bangladesh and a hotel was floated to Abu Dhabi. Other shipbuilders in Japan and Europe have begun to follow suit.

The advantage of the remote-construction method is that many kinds of factories can be built quickly and cheaply in the controlled environment of a shipyard, where a variety of heavy cranes, special tooling shops and skilled labor are available.

The \$60-million plant, in which Ipako of Argentina will produce polyethylene, was designed by Union Carbide and constructed on a barge by Ishikawajima-Harima Heavy Industries at its shipyard near the Japanese port of Nagoya.

The plant, which arrived earlier this month at this city 550 miles from Buenos Aires, is one of a small but growing group of industrial facilities that have been built in one location and floated on barges to a faraway buyer.

Those involved said that the docking was a testament to the feasibility of floating facilities, which they hope will become commonplace, but cautioned that the plant still had to prove itself in production.

Generator ships have been used for years, but the concept of putting whole factories on barges was first tested three years ago when Ishikawajima-Harima built a pulp plant for Daniel K. Ludwig, a U.S. financier and developer, that was towed by ship to Brazil and up the

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French Nationalization Fight Moving Abroad

New York Times Service

PARIS — Foreign shareholders of French banks and corporations targeted for nationalization generally accept France's plans for ownership of the property on its own soil, but what some are now contesting is the government's right to take over the foreign subsidiaries and assets of the companies.

"In many European countries particularly, the courts have never recognized the right of a foreign government to nationalize property under their jurisdiction," said Jean Loyrette, a partner in the Paris law firm of Gide Loyrette & Noul, which has just completed a major study of the international legal implications of the government's nationalization program.

In many countries the courts may refuse to let the French government take control of local subsidiaries belonging to companies it nationalizes against their shareholders' will, even when an indemnity has been paid, said Jean Rey, a former president of the EEC Commission.

Paribas Group

Mr. Rey is president of the new international shareholders association of Cie. Financiere de Paris et des Pays-Bas, or Paribas, the big French investment bank scheduled for nationalization.

If the French government fails to improve its compensation offer and limit nationalization to the bank's French assets, Mr. Rey's association of Belgian, German, Swiss and British shareholders plans to ask the courts in Belgium, Luxembourg, Switzerland and other countries to award ownership of Paribas' foreign assets to its former shareholders.

Nationalization of foreign subsidiaries could damage the economic interests of the countries they are in, Mr. Rey said, because the French government may starve the operations abroad of investment capital in its drive to lower unemployment at home.

Jean Reyers, president of the

Brussels Stock Exchange, announced plans to mount a similar challenge to the French government's plans to nationalize Saint-Gobain-Pont-a-Mousson, the diversified French industrial group.

"We are concerned the company's Belgian glass-making subsidiary, Glaceries St. Roch, will be starved of investment and be swamped by cheap exports from France," he said.

"There is no problem in forming a separate private company based in France to manage the bank's foreign assets," said Bernard de Hoghton, who represents Paribas' British shareholders.

But splitting up large industrial groups whose operations are often closely integrated clearly makes little economic sense. And to this extent, the shareholders' threat of legal action aimed at foreign subsidiaries may be primarily a negotiating ploy designed to get more and better compensation out of the French government.

"Remember," Mr. Reyers said, "it's a last resort."

The companies the French government wants to nationalize — all big, private, French-owned banks as well as 11 major industrial corporations — are vulnerable to legal attacks on their foreign subsidiaries because these nearly always represent a sizable slice of their assets. Nearly 50 percent of Paribas' assets are outside France, while for St. Gobain the figure is more than 60 percent.

French officials say the Prime Minister Pierre Mauroy also has received several letters from lawyers in the United States representing U.S. investors affected by the nationalization plan, pointing out that France is bound under the 1959 French-American Treaty of Commerce and Friendship to pay "equivalent" compensation for any U.S. property it takes over.

The French government is offering to negotiate special compensation arrangements with big foreign companies whose French interests it wants to take over. But the government is clearly worried about the possibility that these foreign companies will be tied up by costly and complex litigation for years.

"Foreign lawsuits trying to establish ownership of the subsidiaries are the most serious threat we face," said a close aide to Prime Minister Pierre Mauroy. But he calls them "suicidal," warning that the French government will fight back and trap shareholders into years of expensive litigation. "Only the lawyers will win," he said.

Proposals before the Senate panel would enable S&Ls to become more like commercial banks.

Committee Chairman Jake Garn, Republican from Utah, expressed concern over the future role of S&Ls in providing home loans, but added that unless Congress gave the thrifts broader investment powers, "I see no savings and loan industry left — literally."

Mr. Reagan concurred, saying the ailing S&Ls need new powers to be

able to compete with other depository institutions "in any interest rate environment."

"I think what you're trying to do is literally save the industry," he testified. "The severity of the industry's difficulties in 1981 should have convinced everyone that the governmental restrictions on its business need to be removed."

Savings and loan associations, whose basic function has been to use money from savers to make long-term housing mortgages, have been hit particularly hard by inflation and high interest rates.

Recently, S&Ls have been given additional powers to offer interest-bearing checking accounts and provide consumer loans for household, family and personal purposes. But industry spokesmen contend they need even broader powers to help them compete better during volatile economic conditions.

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Floating Petro Plant Sails From Japan to Argentina

New York Times Service

BAHIA BLANCA, Argentina — The world's first floating petrochemical plant has successfully docked here after an eight-week ocean voyage from its construction cradle in Japan.

The \$60-million plant, in which Ipako of Argentina will produce polyethylene, was designed by Union Carbide and constructed on a barge by Ishikawajima-Harima Heavy Industries at its shipyard near the Japanese port of Nagoya.

The plant, which arrived earlier this month at this city 550 miles from Buenos Aires, is one of a small but growing group of industrial facilities that have been built in one location and floated on barges to a faraway buyer.

Those involved said that the docking was a testament to the feasibility of floating facilities, which they hope will become commonplace, but cautioned that the plant still had to prove itself in production.

Generator ships have been used for years, but the concept of putting whole factories on barges was first tested three years ago when Ishikawajima-Harima built a pulp plant for Daniel K. Ludwig, a U.S. financier and developer, that was towed by ship to Brazil and up the

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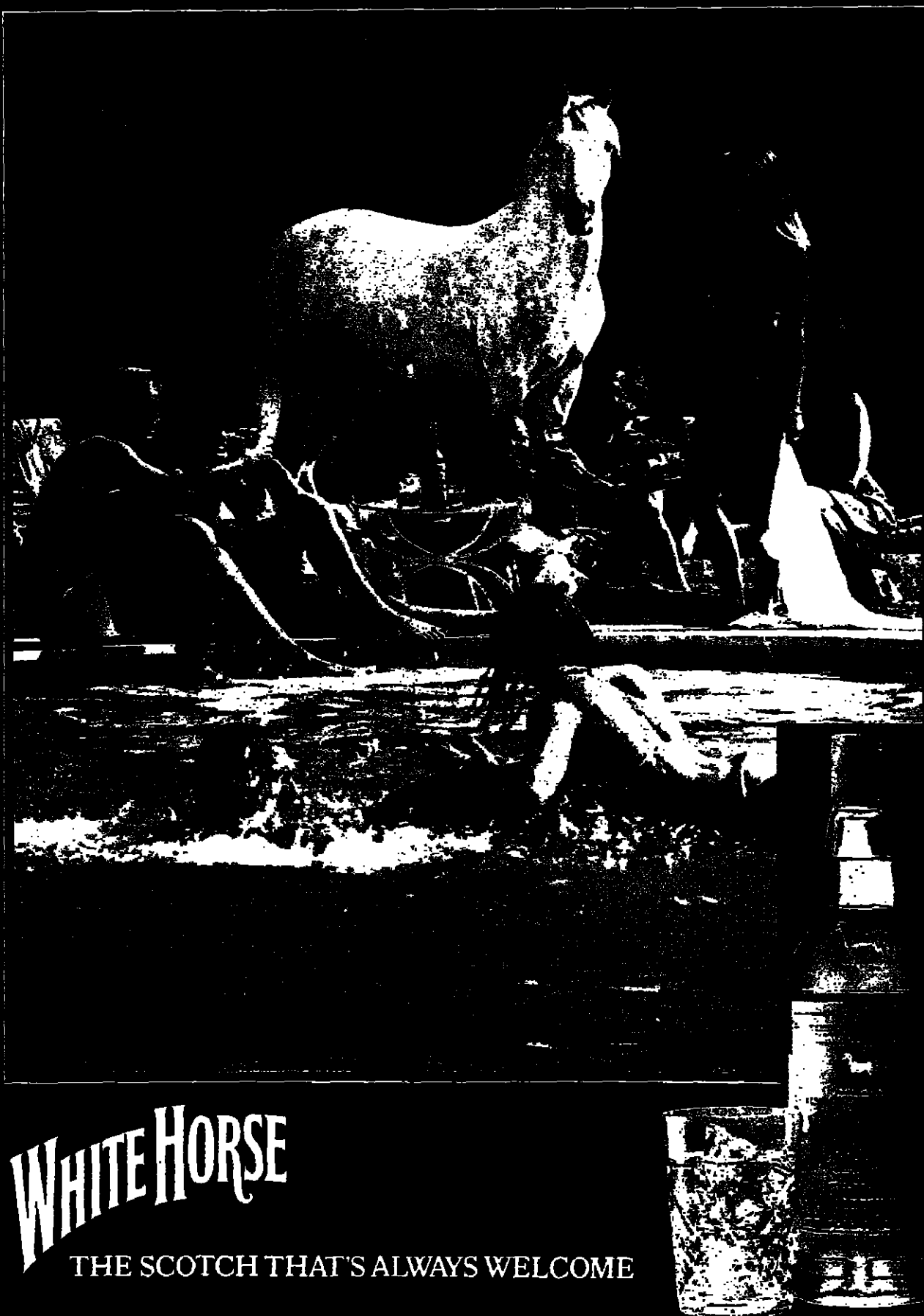
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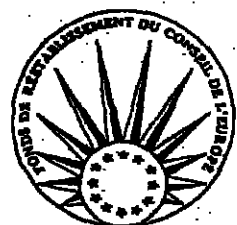
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October 1981



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Commerzbank Aktiengesellschaft

Deutsche Bank Aktiengesellschaft

Dresdner Bank Aktiengesellschaft

Bankhaus Hermann Lampe Kommanditgesellschaft

B. Metzler seel. Sohn & Co.

Trinkaus & Burkhardt

Westdeutsche Landesbank Girozentrale

Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft

Berliner Bank Aktiengesellschaft

Richard Daus & Co., Bankiers

DG BANK Deutsche Genossenschaftsbank

Georg Hauck & Sohn Bankiers Kommanditgesellschaft auf Aktien

Landesbank Rheinland-Pfalz — Girozentrale —

Norddeutsche Landesbank Girozentrale

Vereins- und Westbank Aktiengesellschaft

Westfälische Bank Aktiengesellschaft

Algemene Bank Nederland N.V.

Banque Bruxelles Lambert S.A.

Banque Nationale de Paris

Daiwa Europe

Stocks in Canadian Currencies
All quotes in Canadian dollars unless otherwise indicated.

Symbol	Price	Change
100 AMCA	100.00	0.00
100 BHP	100.00	0.00
100 CNA	100.00	0.00
100 IMP	100.00	0.00
100 INCO	100.00	0.00
100 IAG	100.00	0.00
100 AL	100.00	0.00
100 BELL	100.00	0.00
100 BOC	100.00	0.00
100 BMO	100.00	0.00
100 CIBC	100.00	0.00
100 CMT	100.00	0.00
100 CTR	100.00	0.00
100 DRI	100.00	0.00
100 ERI	100.00	0.00
100 FRI	100.00	0.00
100 GRI	100.00	0.00
100 HRI	100.00	0.00
100 IRI	100.00	0.00
100 JRI	100.00	0.00
100 KRI	100.00	0.00
100 LRI	100.00	0.00
100 MRI	100.00	0.00
100 NRI	100.00	0.00
100 ORI	100.00	0.00
100 PRI	100.00	0.00
100 QRI	100.00	0.00
100 RRI	100.00	0.00
100 SRI	100.00	0.00
100 TRI	100.00	0.00
100 URI	100.00	0.00
100 VRI	100.00	0.00
100 WRI	100.00	0.00
100 XRI	100.00	0.00
100 YRI	100.00	0.00
100 ZRI	100.00	0.00

Kuwait's Burmah Stake Up
LONDON The Kuwait Investment Office purchased an additional 115,000 ordinary shares in Burmah Oil, lifting its stake to 8.66 million shares, or 6.02 percent of the issued capital, Burmah said, Monday.

INTERNATIONAL INCOME FUND
provides the following choice of investments:

Short Term 'A' Units
Exclusively invested in US Dollar instruments with maturities less than 12 months.

Short Term 'B' Units
Invested in instruments denominated in the SDR currencies and Swiss Francs with maturities less than 12 months.

Long Term Units
A balanced portfolio of Eurobonds and Euroconvertibles.

Redeemable at net asset value, less 1% on 7 days' notice.

Trustee: Midland Bank Trust Company (Channel Islands) Limited
Information and Prospectus from: EBC Trust Company (Bermuda) Limited, 28-34 Hill Street, St. Helier, Jersey, C.I. Tel. 0534 36281
Banque Generale de Luxembourg S.A., 14 Rue Aderens, Luxembourg, Tel. 47999
Daily prices are published in this newspaper under 'International Funds'

Toronto Stocks
Closing Prices, Oct. 19, 1981

Symbol	Price	Change
2000 CNA	200.00	0.00
2000 IMP	200.00	0.00
2000 INCO	200.00	0.00
2000 IAG	200.00	0.00
2000 AL	200.00	0.00
2000 BELL	200.00	0.00
2000 BOC	200.00	0.00
2000 BMO	200.00	0.00
2000 CIBC	200.00	0.00
2000 CMT	200.00	0.00
2000 CTR	200.00	0.00
2000 DRI	200.00	0.00
2000 ERI	200.00	0.00
2000 FRI	200.00	0.00
2000 GRI	200.00	0.00
2000 HRI	200.00	0.00
2000 IRI	200.00	0.00
2000 JRI	200.00	0.00
2000 KRI	200.00	0.00
2000 LRI	200.00	0.00
2000 MRI	200.00	0.00
2000 NRI	200.00	0.00
2000 ORI	200.00	0.00
2000 PRI	200.00	0.00
2000 QRI	200.00	0.00
2000 RRI	200.00	0.00
2000 SRI	200.00	0.00
2000 TRI	200.00	0.00
2000 URI	200.00	0.00
2000 VRI	200.00	0.00
2000 WRI	200.00	0.00
2000 XRI	200.00	0.00
2000 YRI	200.00	0.00
2000 ZRI	200.00	0.00

Montreal Stocks
Closing Prices, Oct. 16, 1981

Symbol	Price	Change
1000 CNA	100.00	0.00
1000 IMP	100.00	0.00
1000 INCO	100.00	0.00
1000 IAG	100.00	0.00
1000 AL	100.00	0.00
1000 BELL	100.00	0.00
1000 BOC	100.00	0.00
1000 BMO	100.00	0.00
1000 CIBC	100.00	0.00
1000 CMT	100.00	0.00
1000 CTR	100.00	0.00
1000 DRI	100.00	0.00
1000 ERI	100.00	0.00
1000 FRI	100.00	0.00
1000 GRI	100.00	0.00
1000 HRI	100.00	0.00
1000 IRI	100.00	0.00
1000 JRI	100.00	0.00
1000 KRI	100.00	0.00
1000 LRI	100.00	0.00
1000 MRI	100.00	0.00
1000 NRI	100.00	0.00
1000 ORI	100.00	0.00
1000 PRI	100.00	0.00
1000 QRI	100.00	0.00
1000 RRI	100.00	0.00
1000 SRI	100.00	0.00
1000 TRI	100.00	0.00
1000 URI	100.00	0.00
1000 VRI	100.00	0.00
1000 WRI	100.00	0.00
1000 XRI	100.00	0.00
1000 YRI	100.00	0.00
1000 ZRI	100.00	0.00

Canadian Indexes
Closing Prices, Oct. 19, 1981

Index	Value	Change
3000 CNA	300.00	0.00
3000 IMP	300.00	0.00
3000 INCO	300.00	0.00
3000 IAG	300.00	0.00
3000 AL	300.00	0.00
3000 BELL	300.00	0.00
3000 BOC	300.00	0.00
3000 BMO	300.00	0.00
3000 CIBC	300.00	0.00
3000 CMT	300.00	0.00
3000 CTR	300.00	0.00
3000 DRI	300.00	0.00
3000 ERI	300.00	0.00
3000 FRI	300.00	0.00
3000 GRI	300.00	0.00
3000 HRI	300.00	0.00
3000 IRI	300.00	0.00
3000 JRI	300.00	0.00
3000 KRI	300.00	0.00
3000 LRI	300.00	0.00
3000 MRI	300.00	0.00
3000 NRI	300.00	0.00
3000 ORI	300.00	0.00
3000 PRI	300.00	0.00
3000 QRI	300.00	0.00
3000 RRI	300.00	0.00
3000 SRI	300.00	0.00
3000 TRI	300.00	0.00
3000 URI	300.00	0.00
3000 VRI	300.00	0.00
3000 WRI	300.00	0.00
3000 XRI	300.00	0.00
3000 YRI	300.00	0.00
3000 ZRI	300.00	0.00

Selected Over-the-Counter
Closing Prices, Oct. 19, 1981

Symbol	Price	Change
1000 CNA	100.00	0.00
1000 IMP	100.00	0.00
1000 INCO	100.00	0.00
1000 IAG	100.00	0.00
1000 AL	100.00	0.00
1000 BELL	100.00	0.00
1000 BOC	100.00	0.00
1000 BMO	100.00	0.00
1000 CIBC	100.00	0.00
1000 CMT	100.00	0.00
1000 CTR	100.00	0.00
1000 DRI	100.00	0.00
1000 ERI	100.00	0.00
1000 FRI	100.00	0.00
1000 GRI	100.00	0.00
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1000 IRI	100.00	0.00
1000 JRI	100.00	0.00
1000 KRI	100.00	0.00
1000 LRI	100.00	0.00
1000 MRI	100.00	0.00
1000 NRI	100.00	0.00
1000 ORI	100.00	0.00
1000 PRI	100.00	0.00
1000 QRI	100.00	0.00
1000 RRI	100.00	0.00
1000 SRI	100.00	0.00
1000 TRI	100.00	0.00
1000 URI	100.00	0.00
1000 VRI	100.00	0.00
1000 WRI	100.00	0.00
1000 XRI	100.00	0.00
1000 YRI	100.00	0.00
1000 ZRI	100.00	0.00

NYSE Nationwide Trading Closing Prices Oct. 19
Tables include the nationwide prices up to the closing on Wall Street.

Symbol	Price	Change
1000 CNA	100.00	0.00
1000 IMP	100.00	0.00
1000 INCO	100.00	0.00
1000 IAG	100.00	0.00
1000 AL	100.00	0.00
1000 BELL	100.00	0.00
1000 BOC	100.00	0.00
1000 BMO	100.00	0.00
1000 CIBC	100.00	0.00
1000 CMT	100.00	0.00
1000 CTR	100.00	0.00
1000 DRI	100.00	0.00
1000 ERI	100.00	0.00
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1000 NRI	100.00	0.00
1000 ORI	100.00	0.00
1000 PRI	100.00	0.00
1000 QRI	100.00	0.00
1000 RRI	100.00	0.00
1000 SRI	100.00	0.00
1000 TRI	100.00	0.00
1000 URI	100.00	0.00
1000 VRI	100.00	0.00
1000 WRI	100.00	0.00
1000 XRI	100.00	0.00
1000 YRI	100.00	0.00
1000 ZRI	100.00	0.00

Why just sit in a plane when you can relax in a British Club?



British Airways took the lead in looking after the business traveller. We created our Club to specifically cater for your needs. Now you can bask in a little extra attention. An exclusive cabin, special

fly the British way

snacks or meals, free drinks and your very own Club check-in. On long haul routes you get a wider, more comfortable seat and a choice of main course at meal times. British Airways Club. It's in a class of its own.

We'll take more care of you.

John Collins

Floating Rate Notes

Closing prices, Oct. 19, 1981

Bank	Rate	Change
1000 CNA	100.00	0.00
1000 IMP	100.00	0.00
1000 INCO	100.00	0.00
1000 IAG	100.00	0.00
1000 AL	100.00	0.00
1000 BELL	100.00	0.00
1000 BOC	100.00	0.00
1000 BMO	100.00	0.00
1000 CIBC	100.00	0.00
1000 CMT	100.00	0.00
1000 CTR	100.00	0.00
1000 DRI	100.00	0.00
1000 ERI	100.00	0.00
1000 FRI	100.00	0.00
1000 GRI	100.00	0.00
1000 HRI	100.00	0.00
1000 IRI	100.00	0.00
1000 JRI	100.00	0.00
1000 KRI	100.00	0.00
1000 LRI	100.00	0.00
1000 MRI	100.00	0.00
1000 NRI	100.00	0.00
1000 ORI	100.00	0.00
1000 PRI	100.00	0.00
1000 QRI	100.00	0.00
1000 RRI	100.00	0.00
1000 SRI	100.00	0.00
1000 TRI	100.00	0.00
1000 URI	100.00	0.00
1000 VRI	100.00	0.00
1000 WRI	100.00	0.00
1000 XRI	100.00	0.00
1000 YRI	100.00	0.00
1000 ZRI	100.00	0.00

Eurocurrency Interest Rates

Oct. 19, 1981

Bank	Rate	Change
1000 CNA	100.00	0.00
1000 IMP	100.00	0.00
1000 INCO	100.00	0.00
1000 IAG	100.00	0.00
1000 AL	100.00	0.00
1000 BELL	100.00	0.00
1000 BOC	100.00	0.00
1000 BMO	100.00	0.00
1000 CIBC	100.00	0.00
1000 CMT	100.00	0.00
1000 CTR	100.00	0.00
1000 DRI	100.00	0.00
1000 ERI	100.00	0.00
1000 FRI	100.00	0.00
1000 GRI	100.00	0.00
1000 HRI	100.00	0.00
1000 IRI	100.00	0.00
1000 JRI	100.00	0.00
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1000 QRI	100.00	0.00
1000 RRI	100.00	0.00
1000 SRI	100.00	0.00
1000 TRI	100.00	0.00
1000 URI	100.00	0.00
1000 VRI	100.00	0.00
1000 WRI	100.00	0.00
1000 XRI	100.00	0.00
1000 YRI	100.00	0.00
1000 ZRI	100.00	0.00

European Stock Markets

304	WICOR	2.20	4.4	7	84%	58%	3616	16
305	WIDR	1.75	12	41	84%	58%	3616	16
306	WIDR	1.75	12	41	84%	58%	3616	16
307	WIDR	1.75	12	41	84%	58%	3616	16
308	WIDR	1.75	12	41	84%	58%	3616	16
309	WIDR	1.75	12	41	84%	58%	3616	16
310	WIDR	1.75	12	41	84%	58%	3616	16
311	WIDR	1.75	12	41	84%	58%	3616	16
312	WIDR	1.75	12	41	84%	58%	3616	16
313	WIDR	1.75	12	41	84%	58%	3616	16
314	WIDR	1.75	12	41	84%	58%	3616	16
315	WIDR	1.75	12	41	84%	58%	3616	16
316	WIDR	1.75	12	41	84%	58%	3616	16
317	WIDR	1.75	12	41	84%	58%	3616	16
318	WIDR	1.75	12	41	84%	58%	3616	16
319	WIDR	1.75	12	41	84%	58%	3616	16
320	WIDR	1.75	12	41	84%	58%	3616	16
321	WIDR	1.75	12	41	84%	58%	3616	16
322	WIDR	1.75	12	41	84%	58%	3616	16
323	WIDR	1.75	12	41	84%	58%	3616	16
324	WIDR	1.75	12	41	84%	58%	3616	16
325	WIDR	1.75	12	41	84%	58%	3616	16
326	WIDR	1.75	12	41	84%	58%	3616	16
327	WIDR	1.75	12	41	84%	58%	3616	16
328	WIDR	1.75	12	41	84%	58%	3616	16
329	WIDR	1.75	12	41	84%	58%	3616	16
330	WIDR	1.75	12	41	84%	58%	3616	16
331	WIDR	1.75	12	41	84%	58%	3616	16
332	WIDR	1.75	12	41	84%	58%	3616	16
333	WIDR	1.75	12	41	84%	58%	3616	16
334	WIDR	1.75	12	41	84%	58%	3616	16
335	WIDR	1.75	12	41	84%	58%	3616	16
336	WIDR	1.75	12	41	84%	58%	3616	16
337	WIDR	1.75	12	41	84%	58%	3616	16
338	WIDR	1.75	12	41	84%	58%	3616	16
339	WIDR	1.75	12	41	84%	58%	3616	16
340	WIDR	1.75	12	41	84%	58%	3616	16
341	WIDR	1.75	12	41	84%	58%	3616	16
342	WIDR	1.75	12	41	84%	58%	3616	16
343	WIDR	1.75	12	41	84%	58%	3616	16
344	WIDR	1.75	12	41	84%	58%	3616	16
345	WIDR	1.75	12	41	84%	58%	3616	16
346	WIDR	1.75	12	41	84%	58%	3616	16
347	WIDR	1.75	12	41	84%	58%	3616	16
348	WIDR	1.75	12	41	84%	58%	3616	16
349	WIDR	1.75	12	41	84%	58%	3616	16
350	WIDR	1.75	12	41	84%	58%	3616	16
351	WIDR	1.75	12	41	84%	58%	3616	16
352	WIDR	1.75	12	41	84%	58%	3616	16
353	WIDR	1.75	12	41	84%	58%	3616	16
354	WIDR	1.75	12	41	84%	58%	3616	16
355	WIDR	1.75	12	41	84%	58%	3616	16
356	WIDR	1.75	12	41	84%	58%	3616	16
357	WIDR	1.75	12	41	84%	58%	3616	16
358	WIDR	1.75	12	41	84%	58%	3616	16
359	WIDR	1.75	12	41	84%	58%	3616	16
360	WIDR	1.75	12	41	84%	58%	3616	16
361	WIDR	1.75	12	41	84%	58%	3616	16
362	WIDR	1.75	12	41	84%	58%	3616	16
363	WIDR	1.75	12	41	84%	58%	3616	16
364	WIDR	1.75	12	41	84%	58%	3616	16
365	WIDR	1.75	12	41	84%	58%	3616	16
366	WIDR	1.75	12	41	84%	58%	3616	16
367	WIDR	1.75	12	41	84%	58%	3616	16
368	WIDR	1.75	12	41	84%	58%	3616	16
369	WIDR	1.75	12	41	84%	58%	3616	16
370	WIDR	1.75	12	41	84%	58%	3616	16
371	WIDR	1.75	12	41	84%	58%	3616	16
372	WIDR	1.75	12	41	84%	58%	3616	16
373	WIDR	1.75	12	41	84%	58%	3616	16
374	WIDR	1.75	12	41	84%	58%	3616	16
375	WIDR	1.75	12	41	84%	58%	3616	16
376	WIDR	1.75	12	41	84%	58%	3616	16
377	WIDR	1.75	12	41	84%	58%	3616	16
378	WIDR	1.75	12	41	84%	58%	3616	16
379	WIDR	1.75	12	41	84%	58%	3616	16
380	WIDR	1.75	12	41	84%	58%	3616	16
381	WIDR	1.75	12	41	84%	58%	3616	16
382	WIDR	1.75	12	41	84%	58%	3616	16
383	WIDR	1.75	12	41	84%	58%	3616	16
384	WIDR	1.75	12	41	84%	58%	3616	16
385	WIDR	1.75	12	41	84%	58%	3616	16
386	WIDR	1.75	12	41	84%	58%	3616	16
387	WIDR	1.75	12	41	84%	58%	3616	16
388	WIDR	1.75	12	41	84%	58%	3616	16
389	WIDR	1.75	12	41	84%	58%	3616	16
390	WIDR	1.75	12	41	84%	58%	3616	16
391	WIDR	1.75	12	41	84%	58%	3616	16
392	WIDR	1.75	12	41	84%	58%	3616	16
393	WIDR	1.75	12	41	84%	58%	3616	16
394	WIDR	1.75	12	41	84%	58%	3616	16
395	WIDR	1.75	12	41	84%	58%	3616	16
396	WIDR	1.75	12	41	84%	58%	3616	16
397	WIDR	1.75	12	41	84%	58%	3616	16
398	WIDR	1.75	12	41	84%	58%	3616	16
399	WIDR	1.75	12	41	84%	58%	3616	16
400	WIDR	1.75	12	41	84%	58%	3616	16

Dodgers Win Pennant On 9th-Inning Homer

World Series Opens Today in New York

United Press International
MONTREAL — The Los Angeles Dodgers, using Rick Monday's dramatic ninth-inning tie-breaking home run to produce their second straight comeback victory, won their 17th National League pennant Monday by defeating the Montreal Expos, 2-1, in the fifth and deciding game of the National League championship series.

Monday's shot over the right-field fence with two out came off Steve Rogers, and lifted Fernando Valenzuela to the triumph. The victory sends the Dodgers against the Yankees in the 78th World Series starting Tuesday night in New York.

Monday's homer disappointed the crowd of 36,491 at the game, which was delayed 26 minutes by rain at the start and played in near freezing temperatures after being postponed by rain the previous afternoon.

Earlier Loss Averted
Valenzuela's triumph evened his championship series record at 1-1 and averted his defeat six days ago to Burns in Game 2 of the series. He struck out six and walked two but needed help from Bob Welch to get the final out after he walked Gary Carter and Larry Parrish on 3-2 pitches.

Valenzuela retired Rodney Scott on a bunt to Steve Garvey and Andre Dawson on a fly to right. He then walked Carter and Manuel, and Welch came on and retired Jerry White on a grounder to second on the first pitch.

The final out brought the Dodgers out of their dugout to hug Welch. By winning the series, the Dodgers reinforced their reputation as the 1981 comeback team. In the miniseries playoff against Houston, the Dodgers became the first team ever to win a best-of-five series after losing the first two games.

Rare Feat
The Dodgers now have become the only third team since the start of the league championship playoffs in 1969 to rebound from a 2-1 deficit on the road and capture the pennant. The 1977 New York Yankees beat the 1976 Philadelphia Phillies did the same thing against Houston.

The Dodgers are now 4-0 in playoff series, having won in 1974, 1977 and 1978. Monday, a 35-year-old native of Batesville, Ark., was inserted into the Dodgers lineup in Game 4 with the Dodgers trailing in the series, 2-1. He went 1-for-1 in that game but played a pivotal role in the deciding game, singling to start one rally and then hitting his home run.

Rogers, who was 4-0 in October, was relieving for the first time since July 3, 1978, and was pitching with only two days rest. He did not have his best stuff but got Steve Garvey on a pop to second on one pitch before receiving a scare when Ron Cey lined him the way to the wall in left for the second out.

Then, with the count at 3-and-1, Monday connected on Rogers' delivery and sent it well out of the reach of a dejected Dawson in center field.

Bamberger Named To Manage Mets

United Press International
MONTREAL — George Bamberger, forced to give up a managerial post with the Milwaukee Brewers last year because of heart surgery, Monday agreed to manage the New York Mets at an estimated salary of \$200,000.

Bamberger, who had been the first choice of the Mets' general manager, Frank Cashen, for the job after Joe Torre was fired, said he would accept the position in a phone conversation from his home in St. Petersburg, Fla.

Official announcement of Bamberger's acceptance was expected to be made before the start of the World Series, which opens Tuesday night in New York.

NHL Standings

W	L	T	Pts	GF	GA
Montreal	1	1	1	11	11
Quebec	1	1	1	11	11
Buffalo	1	1	1	11	11
Hartford	1	1	1	11	11
Patriot Division					
NY Islanders	4	0	1	19	12
Philadelphia	4	0	1	19	12
Pittsburgh	3	2	1	17	19
NY Rangers	3	2	1	17	19
Washington	1	5	0	12	24
Central Division					
Minnesota	3	2	1	17	19
St. Louis	3	2	1	17	19
Chicago	3	2	1	17	19
San Jose	3	2	1	17	19
San Francisco	3	2	1	17	19
Los Angeles	3	2	1	17	19
Calgary	1	4	1	12	24
Colorado	1	4	1	12	24
Western Division					
Edmonton	3	2	1	17	19
Vancouver	3	2	1	17	19
Los Angeles	3	2	1	17	19
Calgary	1	4	1	12	24
Colorado	1	4	1	12	24

NBA Exhibition
Portland 114, Boston 97
Milwaukee 114, Chicago 97
Philadelphia 114, Los Angeles 97

Both pitchers performed well in the clutch despite the adverse conditions. Valenzuela was on the ropes early but the Expos managed only a 1-0 lead in the first. Tim Lincecum led off with a double and beat Valenzuela's throw to third on Scott's sacrifice.

The Dodger bench sensed that Valenzuela was not in command and immediately started Bobby Castillo warming up in the bullpen. Scott tried to further rattle the left-hander by attempting to deliberately get caught in a run-down but Scott said safely back to first as Raines held third.

Dawson dampened the uprising by hitting into a double play but Raines did manage to score for a 1-0 Montreal lead.

Burris put at least one runner on base in the first, second, fourth and fifth innings but it was not until the sixth that the Dodgers made him pay.

Monday singled and was running when Pedro Guerrero also singled, allowing him to go to third. After Mike Scioscia lined to second, Valenzuela delivered the run with a ground ball.

After being held well in check after the first inning, the Expos threatened but did not score in the seventh. With two out, Parrish doubled and remained on second as the Dodgers first tried to pitch around White, then wound up walking him intentionally. Warren Cromartie, suffering a horrendous series, fouled to the catcher on the first pitch he saw to end the threat.

An alert play by Montreal shortstop Chris Speier helped preserve the tie in the eighth. After Dave Lopes singled off Speier's glove and stole second with one out, Speier went into the hole to field Bill Russell's grounder. Instead of nailing Russell at first, Speier threw behind Lopes to Scott, covering second, catching Lopes in a rundown.

With Russell on first and two out, Dusty Baker bounced out for the third out.

guarding home, his hands tied behind his back. The body of his wife had been bludgeoned and stabbed. Police said no robbery had occurred.

Beginning in 1970, Tropiano said, he was instructed by Green to pass on to Nicholas D'Amico, the New Jersey bookmaker later associated with Stabler, the information supplied by Anderson about the Raiders. He said that Green and D'Amico, whom he knew as "Nick D.", had also exchanged bets and large sums of cash delivered to San Francisco from the East Coast by couriers, all of them young women.

Direct Links Unproven
Law-enforcement sources here said that although some of the names in Green's "client book" were those of major California organized crime figures, they had never obtained evidence linking Green directly to organized crime. But East Coast law-enforcement officials said that D'Amico had had an "association" with the New Jersey-based Simone DeCavalcante organized crime family and that his bookmaking operations have "made money" for that family. Anderson's name was not among the list of clients taken from Green's home after his murder.

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Art Buchwald

Diversified Broker

WASHINGTON — I went to see my broker, Durgin, Burdick & Black the other day. I had to wade through TV sets, refrigerators, automobile parts, tool chests and children's clothes.

"What's going on?" I asked Durgin.

"Sears, Roebuck is buying Dean Witter and going into the brokerage business. So we've decided to go into consumer retailing. No one wants to stay in his own racket any more."

"Do you have the floor space?" I asked him.

"We're taking over two more floors for our toy department and women's accessories. We're trying to get all the brokers in town to do the same thing. If Sears wants to play dirty pool, they've taken on the wrong people."

"I wish you luck, Listen. I was thinking about buying 100 shares of Xerox. What do you think?"

"How about four radial automobile tires? They're guaranteed for 10 years."

"Durgin, I know you're mad at Sears, but I really didn't come in here to buy tires."

"Forgive me, I've just lost my cool. You say Xerox."

"I was thinking of Xerox or maybe RCA. That stock, according to Forbes, is underpriced."

"I like RCA. Let me show you one of their 25-inch television sets. We're having a Founder's Day special on them this week. Sears can't match them for price."

"I don't want a television set. I want to buy stocks."

Rome's Public Phones Mostly Out of Order

ROME — Two out of three public telephones in Rome are out of order, many broken by vandals and thieves, the newspaper *L'Espresso* of Milan reported Monday.

The newspaper said the state-run telephone company is not entirely to blame; shopkeepers and barmen sometimes put "out-of-order" signs on their telephones to ensure a free incoming line at a rate much lower than that of a regular phone.

"Right you are. Let me get RCA up on the screen. Hey, look at this. You can get an electric chain saw and a pair of gloves for \$89.95. It's going to be a cold winter, and you're really going to need a saw if you've got a fireplace."

"Durgin, I'm worried about Wall Street. Joseph Granville is a menace. He writes one letter and my entire stock portfolio goes out the window. How do I hedge against another Granville panic?"

"You can hide in a freezer. Let me show you this latest GE model."

"I can't buy stock and also buy freezers," I said.

"Well, let me plan the freezer on our lay-away plan. Once your stocks go up, we'll transfer the dividends to your freezer account. We're the only ones offering this. Sears, Roebuck isn't set up to do the paperwork."

"You're really out to get them, aren't you?"

"Why shouldn't we? They want to muscle into everything. First, it was insurance, then real estate, and now they want to sell stocks in their stores. I used to push Sears, Roebuck stocks, but now when I get an order I recommend tax-free bonds instead. If Sears, Roebuck gets lucky, everyone will go in the brokerage business. You'll be able to go into Woolworth's and get all the IBM stock you want."

"But there are still going to be some of us who will just want to deal with a stockbroker who will devote all his time to financial business."

"You say that now. But I can just see you going into Sears for a mattress, and picking up a futures contract in pork bellies, which they'll probably have a sale on to get you in the store."

"Can we get back to my portfolio? What are you people recommending in money funds?"

"We have a wide selection. But if I were you, I'd take advantage of our Thanksgiving Day sale on video games. They're a lot more fun and unlike money funds, your whole family can enjoy them."

"You don't have to come in. Here's our new Christmas Retailer's Catalog. You can order anything you want on the phone. And our deliveries are faster than Sears."

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Reappraisal of a Neglected Artist

Sophie Taeuber-Arp's Role in the Development of Abstractionism

By Hilton Kramer

NEW YORK — In the history of the European avant-garde in the years 1910-20, the decade in which abstract art first emerged to challenge so many traditional beliefs about art and its meaning, one of the names that tends to get lost is that of the Swiss artist, Sophie Taeuber-Arp (1889-1943). By all accounts, she was a remarkable figure, much beloved by her contemporaries and recognized by them as having achieved something very distinctive in her work.

Yet the exhibition that Carolyn Lanchner has now organized at the Museum of Modern Art (through Nov. 29) is the first retrospective to be devoted to her art in the United States. In addition to giving us our first coherent view of Taeuber-Arp's oeuvre, it is a show that casts an interesting light both on the early history of abstraction and on its subsequent development in Paris in the 20s and '30s.

Sophie Taeuber was born of a German father and a Swiss mother in Davos, Switzerland, in 1889, and in the years 1908-10 she was enrolled as a student of textile design at the School of Applied Arts in Saint Gall. Between 1911 and 1913 she divided

her time between studies in the experimental art studio of Walter von Debschitz in Munich and the School of Arts and Crafts in Hamburg.

Three years later, at the age of 27, she commenced her teaching career as professor of textile design and techniques at the School of Applied Arts in Zurich, and remained in that position until 1929. All of her early contributions to abstract art appear to be closely linked to her knowledge and mastery of the techniques of textile design. In the kind of metaphysical, theosophical and utopian doctrines that governed the early abstract painting of Mondrian, Kandinsky, Malevich and others, she appears to have had little interest.

Search for Pure Feeling

Nor, despite her close attachment to Dada in the war years and to other socially oriented avant-garde movements in the post-World War I period, does she appear to have conceived of her work as fulfilling any radical or high-flown social functions. She was anything but an idealogue or theoretician. Yet it would be a mistake to overlook the critical element in her work. The impulse to unburden artistic expression of weighty precedents and modish conventions and place it at the service of pure feeling was central to everything that she aspired to in her art. So was the determination to create new pictorial disciplines that would lead themselves to this goal.

It was in Zurich in 1915 that Sophie Taeuber met Jean Arp. Almost immediately they entered into a program of artistic collaboration. Arp was always very frank about what he owed to his wife's artistic ideas (they were married in 1922). "The pictures she was doing at that time," Arp wrote of their first years together in Zurich, "exercised a decisive influence on my work." One has the impression, too, that it was her salary as professor at the School of Applied Arts that kept them aloft in what were otherwise very lean years for artists working in an abstract or avant-garde style.

Zurich, of course, was one of the capitals of the European avant-garde during the war, and both Sophie Taeuber and Jean Arp were very much a part of the Dada movement that flourished there. In addition to her work as an artist and teacher, Taeuber also won a considerable reputation as a dancer in this period. In the catalog accompanying this exhibition, Lanchner quotes from a memoir by another member of the Zurich Dada group, Emmy Ball-Hennings, who wrote: "She was studying dancing at the Ecole Laban. . . I can still see Sophie Taeuber dancing at the Galerie Dada. There, several dancers who went on to become famous, such as Mary Wigman, showed us their talent. But none of them left us with such a vivid impression as Sophie Taeuber." This was at a time when modern dance was quite as avant-garde as abstract art, and from the point of view of the School of Applied Arts in Zurich, even less respectable.

Taeuber was thus obliged to use a pseudonym when she performed at the Dada soirees. The hallmark of Taeuber-Arp's art, then and later, was an extreme simplicity of design most often achieved through the use of pure geometrical forms. So hackneyed have the conventions of geometrical abstraction since become that it nowadays requires a certain leap of the imagination to appreciate the intensity of effort that its first practitioners lavished on its realization. The whole artistic process, from their point of view, had to be stripped of its fictions and pretensions, of all its accumulated rhetoric and associations, if it were ever to be made new again. It had, in other words, to regain its innocence. It had, therefore, not only to reject the world of appearances but — perhaps more importantly — the very methods that art had traditionally employed to achieve its familiar effects.

Arp has left us with a very moving account of how he and Taeuber set about this task of denuding the artistic process of its more cumbersome methods and associations. Speaking of the period 1916-18, he wrote: "Sophie Taeuber and I resolved never to use old colors again. We wanted to discard any reminder of oil painting, which seemed to us to belong to an arrogant, pretentious world. . . During the

years that we abstained from oil painting, we used in our works exclusively paper, cloth, embroidery, as spiritual exercises, as a discipline that allowed us to recapture painting in its original purity."

There is something very poignant about this studied effort to achieve a state of innocence, both in art and in life, at the very moment when the rest of Europe was embroiled in one of the bloodiest conflicts in its history, and I doubt if the inner life of this art can ever be fully understood without some sense of the historical conditions that engendered it. Hanging on the walls of the museum today, Taeuber-Arp's abstractions — paintings, embroideries and pictorial constructions — are totally devoid, of course, of any references to the war, yet there is a sense in which they constituted an anti-war gesture, an avowal of innocence in the face of worldly evil and catastrophe.

Moved to France

The end of the war inevitably left Taeuber-Arp somewhat isolated in Zurich. The artists and writers who had gathered there to escape the war departed, and Arp, too, seems to have traveled about a good deal while Taeuber-Arp remained at her post at the School of Applied Arts. It was not until the late '20s when she was able to give up teaching and she and Arp settled in France, in a house that she designed for them at Meudon-Val Fleury, outside Paris, that her career regained its momentum.

In the late '20s she was commissioned by the architect Paul Horn to design the interior of a cafe and tearoom in Strasbourg, the Cafe de l'Aubette — and she and Arp collaborated on this project. (Van Doesburg devoted a special issue of the magazine *De Stijl* to their designs in 1928.)

Uniformity, nothing but uniformity of this work. A later prior removed most of the stained-glass windows and paintings and reliefs that adorned the cafe's interiors, and what was left was destroyed by the Nazis in their campaign against "degenerate art."

The paintings and painted reliefs that Taeuber-Arp produced in her later years, all more or less based on circular and rectangular forms and executed in black and white and mostly primary colors, have the quality of a very elementary visual game about them. They do not, in my view, look entirely sufficient in themselves. Abstract art of this persuasion seems to need either an intense spiritual program to keep its energies at a fever pitch of intensity, or else some practical decorative task to which it can be applied on a large scale.

Clearly, Taeuber-Arp was superbly equipped to carry out the kind of large decorative commissions that came to others after World War II, when abstract art achieved a much greater degree of popularity, but in the '30s no further commissions of that sort came her way. Handsome and original as the later work is, one leaves the exhibition with a feeling that her talents in the end were unfulfilled.

The exhibition that Lanchner has mounted consists of fewer than 50 works. Yet it gives us a very emphatic account of an interesting talent, and the size of the show is somehow appropriate both to the scale of Taeuber-Arp's achievement and to the state of defiant innocence it so assiduously cultivated.



Sophie Taeuber-Arp's "Portrait of Jean Arp" in 1918.

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PEOPLE:

Haig's Daughter Gets Job in U.S. Agency

Barbara Haig, 25-year-old daughter of Secretary of State Alexander M. Haig Jr., has been hired by the International Communications Agency. The Washington Post reports. She becomes the second child of a Cabinet officer to be hired by the agency, which handles the government's public relations efforts abroad. A son of Defense Secretary Casper Weinberger was hired in August to run ICA's public liaison office in New York. Barbara Haig joined ICA last month as an assistant to the associate director in charge of the agency's programs division at \$18,585 a year.

Even though he was being honored by President Reagan, comedian Bob Hope still managed a few zingers for his host. "Mr. Reagan worked hard as an actor, a governor and now a president," Hope said. "He worked his way up all because Nancy had this certain dish pattern that she wanted."

Hope also told the black-tie audience of 800 in Washington that the president and first lady have different political heroes: "Ronnie's is Calvin Coolidge and Nancy's is Calvin Klein." But Reagan got the heartiest laugh with the following one-liner: "I've been getting some flak about ordering production of the B-1," said the president, with a look of open-faced innocence. "How did I know it was an airplane? I thought it was vitamins for the troops." The dinner raised money to honor Hope's 40-year contribution to the United Service Organization and to help underwrite a Bob Hope USO World Headquarters in Washington.

Engene Ormandy, conductor laureate of the Philadelphia Orchestra, is reported in good condition at Pennsylvania Hospital in Philadelphia where he is undergoing treatment for a blood clot in the lung. A hospital spokesman said it would take several days to remove the clot, which was being treated with anti-coagulants. He said Ormandy, 81, probably would remain in the hospital until Sunday.

Cellist Maria Kliegel, a 27-year-old West German, won the 40,000-franc (about \$7,270) first prize in the week-long Rostropovich International Cello Competition in Paris.

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